Economic Review
April 1983

A general review of recent economic developments
presented by
The Honourable Marc Lalonde
Minister of Finance

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Front Cover: Telesat Canada Anik C3 communications satellite rises gently out of the cargo bay of the NASA space shuttle orbiter Columbia. Explosive bolts holding the Canadian satellite down in the cargo bay have just been fired and, spinning at about 50 revolutions per minute, it moves off into space 300 kilometers above the equator. The ball-shaped appendage beneath the satellite is a small rocket motor which boosted Anik C into a higher orbit. The satellite now provides communications services across all of Canada. NASA photo courtesy Telecast Canada.

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1. A General Overview of Developments in 1982

International Developments and Policy Environment

The 1980 to 1982 period was predominantly one of relative stagnation in the economies of the western industrialized countries. This stagnation occurred largely because of the output-depressing effects of the second oil price shock during 1979-1980, combined with restrictive fiscal and monetary policies designed to curb the inflationary impacts of the shock. The average rate of inflation in the OECD economies fell dramatically in 1982 after peaking in 1980.

The world price of oil more than doubled during 1979 and 1980. This supply shock, directly and indirectly through its impact on other costs of production, pushed up the average inflation rate in the seven major countries of the Organization for Economic Cooperation and Development [1] (OECD) about 3 percentage points to 12.2 per cent in 1980, the highest rate since 1974, the year of the first oil price shock. The OECD countries responded with restrictive fiscal and monetary policies to contain and reduce the inflationary pressures. These policies, in general, became even more restrictive in 1981 and the first half of 1982 as the rate of inflation remained significantly above historical levels and concern increased that relaxing these policies would lead to a further acceleration of inflation, because of deeply entrenched inflationary expectations. According to the estimate prepared by the OECD, the average budget deficit of the seven major OECD countries, adjusted for the impact of the cyclical decline in output, [2] decreased by an amount equivalent to 0.7 percentage points of gross national expenditure/gross domestic product (GNE/GDP) over the recent three-year period. Adjusted as well for the effect of increased interest payments on public debt, the budget deficit decreased 1.5 percentage points of GNE/GDP. Real interest rates, defined as short-term nominal interest rates minus the rate of increase in the consumer price index (CPI), averaged close to one-half per cent in 1980 in the seven major OECD countries, but jumped to 3½ per cent in 1981 and 4 per cent in 1982.

The result was a significant decline in inflation in the OECD area but very weak real growth. Real GNE/GDP increased by about 1 per cent in the seven major OECD countries in both 1980 and 1981 and fell about one-half per cent in 1982. The cumulative increase in real GNE over the 1980 to 1982 period was about 2 per cent compared to an increase of about 12 per cent during the preceding three-year period. In addition to this weak growth, most of the OECD economies faced a roller-coaster type performance with large swings on both the up and down sides of the cycle. For example, during the six half-years between 1980 and 1982, the annualized growth rate of real GNE/GDP fluctuated between 5 per cent and minus 3½ per cent in the United States; between 7 per cent and minus 4 per cent in Italy; between plus and minus 3 per cent in Germany; and between 6 per cent and minus 7 per cent in Canada. Of the seven major OECD countries, real GNE fell in Canada, the U.S. and Germany in 1982, remained virtually unchanged in the U.K. and Italy and increased modestly, in the 1 per cent to 2 per cent range, in Japan and France. Reflecting this weakness in economic activity, the number of unemployed in the OECD area jumped 20 per cent in 1982 to over 30 million. North America had an even larger 30-per-cent increase in unemployment. The average unemployment rate in the seven major OECD countries increased 3 percentage points from 1979 to reach 8½ per cent in 1982.

Activity in the OECD countries weakened to an unexpected degree during the last half of 1982. Up to the middle of 1982, it had seemed that a modest recovery was imminent in the OECD area taken as a whole. However, further signs of weakness, particularly in Europe and Canada, emerged in the second quarter of 1982 and intensified thereafter. Industrial production fell and business surveys became increasingly pessi-

[1] These countries are: the United States, Japan, Germany, France, the United Kingdom, Italy and Canada.

[2] The cyclically-adjusted budget balance is the balance that would prevail with existing tax and expenditure structures if the economy were operating at an average level of activity.

mistic. Real output growth for the seven major OECD countries, which had been projected to increase by 2¼ per cent [3] in the last half of 1982, actually declined.

The results on the inflation front were, however, better in 1982 than generally anticipated, particularly in the U.S. and the U.K. The 12-month increase in consumer prices in the seven major OECD countries in December 1982 was 5.5 per cent, 7.4 percentage points less than the average peak inflation rate of 12.9 per cent during the 1980 and 1981 period. This dramatic improvement in inflation performance was a result of many factors, including: a reduction in inflation expectations because of the persistence of restrictive policies; declines in energy prices; the tumbling of other commodity prices which decreased 17 per cent in 1982 compared with a decrease of 12 per cent in 1981, according to the *Economist* index; the increasing slack in labour markets which resulted in more moderate nominal wage increases; and weak product markets which cut profit margins.

In the United States, monetary policy until late June was focussed on keeping the growth of monetary aggregates within respective target ranges following a shift in operating procedures in October 1979. Between November 1981 and March 1982, short-term interest rates rose 400 basis points, peaking at 15 per cent. Subsequent weakness of economic activity led to some decline in rates in the next few months but in late June they were back up near their February peaks. A number of developments have worked together since then to bring interest rates down substantially. These include: continued weakness in economic activity and substantial declines in the U.S. rate of inflation; reduced emphasis, at least temporarily, by the Federal Reserve Board on monetary targetting because a number of developments have made money supply numbers increasingly unreliable; and the realization in financial markets that a significant portion of the large federal deficit was caused by below-average levels of economic activity. Between the last week of June and the last week of August, the three-month commercial paper rate fell 650 basis points to 8¼ per cent. Although the trend of interest rates since August has remained downward, subsequent declines have been more modest. Long-term rates followed a similar pattern although most of the decline occurred over the July-October period; the rate for AAA bonds fell almost 300 basis points in those four months.

Financial developments in the U.S. significantly influenced interest rates and exchange rates in the industrialized world. The volatility of U.S. interest rates put pressure on exchange values of currencies of other countries. These countries reacted in general by allowing some movement in both their exchange rates and interest rates, with the extent of change in the two variables importantly influenced by domestic developments. The run-up in U.S. interest rates from November 1981 to June 1982 led to a significant appreciation of the U.S. dollar and a corresponding decline in the currencies of most other industrialized countries and increases in their interest rates. The rapid decline in U.S. interest rates since the middle of last year has led to substantial reductions in interest rates in other countries and some further realignment of exchange rates.

Domestic Developments and Policy Environment

Unlike most countries, average growth in Canada was quite strong during 1981 because of the strength of the economy in the first half of the year. However, the Canadian economy entered a deep recession in the third quarter of 1981 and, at the end of 1982, had experienced six consecutive quarterly declines in real GNE. Real GNE fell 4.8 per cent in 1982 (Table 1.1), the steepest annual decline since the Second World War. All major components of aggregate demand, except government expenditure and foreign trade, contributed to the decline in real GNE. The weakest sectors of the economy were business fixed and inventory investment and residential construction. After growing strongly in the last three years, the volume of business fixed investment fell 11.5 per cent and residential investment declined 23.5 per cent. The stock of inventories declined $3.2 billion (1971 dollars) in 1982 after increasing $687 million in 1981. Exports fell only slightly in spite of significant declines in output in many of Canada's major trading partners, but imports fell 10.4 per cent reflecting the decline in final domestic demand and inventories.

[3] OECD, *Economic Outlook*, July 1982

Table 1.1
Summary of Real Gross National Expenditures in Canada

	Average 1971-1979	1980	1981	1982
		(percentage change)		
Consumer expenditure	4.3	1.1	1.9	– 2.5
Government expenditure[1]	2.1	– 0.7	1.1	0.9
Residential construction	2.2	– 6.1	5.6	– 23.5
Business fixed investment	5.3	7.4	6.4	– 11.5
Non-residential construction	4.4	11.0	8.4	– 6.0
Machinery and equipment	6.2	4.5	4.6	– 16.4
Inventory change[2]	855	– 775	687	– 3170
Exports	4.1	1.8	1.6	– 1.5
Imports	5.9	– 2.0	2.6	– 10.4
Gross national expenditure	3.6	0.5	3.1	– 4.8

Note: Numbers may not add exactly due to rounding.
[1] Includes current expenditure on goods and services and capital formation.
[2] Millions of 1971 dollars.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

The decline in economic activity resulted in substantial losses in employment and an increase in the unemployment rate to 11.0 per cent in 1982 from 7.6 per cent in 1981. The CPI rate of inflation fell from 12.5 per cent in 1981 to 10.8 per cent in 1982.

The federal budget deficit, on a national accounts basis, increased from 2.4 per cent of GNE in 1981 to 6.0 per cent of GNE in 1982. This was mainly due to the deep recession, which resulted in revenue growth of only 1.8 per cent and expenditure growth of about 20 per cent. Details of federal revenue and expenditure changes are provided in Tables 7.2 and 7.3. In brief, federal expenditures in 1982 increased $14.2 billion. Of this amount, more than $10 billion was accounted for by three main areas: transfers to persons (which rose $5.8 billion), particularly unemployment insurance payments which rose more than 70 per cent, interest on the public debt (up $3.1 billion), and transfers to provinces (up $1.7 billion).[4]

Monetary policy was geared towards the twin objectives of restraining inflation and assisting a recovery in economic activity. There was a run-up in interest rates during the first half of the year because of the pressure on the Canadian dollar as a result of large increases in U.S. interest rates. Interest rates fell significantly in the second half of the year, in line with similar developments in the U.S., a sharp decline in the Canadian rate of inflation and continuing weakness in economic activity.

A comparison of the 1974 and 1981-1982 recessions, provided in Table 1.2, reveals the following facts. First, the 1981-1982 recession lasted six quarters compared to a decline in output spanning only two quarters during 1974. Second, the decline in real GNE was much sharper in the 1981-1982 recession than in 1974. Third, only government spending made a positive contribution to real GNE in the 1981-1982 recession. In 1974, government spending and non-residential investment made positive contributions to

[4] In addition, delay in passing legislation necessary to authorize Petroleum Incentive Payments led to some expenditures for 1981 activity being recorded in 1982. This was in large part responsible for an increase of $1.5 billion in capital assistance payments from 1981 to 1982.

Table 1.2
A Comparison of Relative Size of Contributing Factors in the Recessions of 1981-1982 and 1974

	2nd quarter 1981 to 4th quarter 1982		1st quarter 1974 to 3rd quarter 1974	
	Percentage change	Change relative to overall change in real GNE[3]	Percentage change	Change relative to overall change in real GNE[3]
Consumer expenditure	−3.6	0.5	1.8	−3.0
Government expenditure[1]	2.0	−0.3	1.0	−1.7
Residential construction	−28.7	3.8	−13.9	23.2
Business investment	−17.7	2.4	−1.5	2.5
Non-residential construction	−9.5	1.3	−1.3	2.2
Machinery and equipment	−24.7	3.3	−1.7	2.8
Inventory change[2]	−4,852	0.5	−536	0.8
Exports	−9.7	1.3	−0.7	1.2
Imports	−17.6	2.3	4.0	−6.7
Gross national expenditure	−7.5	1.0	−0.6	1.0

Note: Numbers may not add exactly due to rounding.
(1) Includes current expenditure on goods and services and capital formation.
(2) Millions of 1971 dollars and proportion of absolute change in real GNE.
(3) Proportions are calculated by dividing sectoral percentage changes by per cent change in real GNE. The only exception is inventory change. Its contribution is calculated by dividing constant dollar inventory change with constant dollar change in real GNE.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

growth. Fourth, although residential investment fell 28.7 per cent and inventory change declined $4.9 billion during the 1981-1982 recession, their contributions to the decline in real GNE were even greater during the 1974 recession. Fifth, while imports declined significantly more than GNE during the 1981-1982 recession, they actually increased during the previous recession.

Table 1.3 compares the 1981-1982 Canadian recession with those in Canada's major trading partners. It can be noted that the last Canadian recession was more severe than the downturns in other major OECD countries. However, if the comparison takes 1978 as a starting point, Canada is within the range of growth rates experienced by the other six major countries. As noted, Canada experienced a more rapid increase in activity just prior to the 1981-1982 recession than did most of the other countries. During the 1974 and 1980-1981 recessions the decline in Canadian output, in general, was significantly less than in other countries.

Major Factors Affecting the Depth of Canada's 1981-1982 Recession

A number of factors depressed the level of activity in Canada in the second half of 1981 and in 1982. These included a world recession, the stubbornness of inflation combined with the anti-inflationary framework of government policies, the phasing-in of world energy price increases which other countries generally had absorbed earlier, and a rise in the personal savings rate.

The world recession resulted in a decline in Canadian exports. The volume of Canadian exports fell 1.5 per cent in 1982 after increasing more than 1½ per cent in 1981. The persistent economic slowdown in major OECD countries particularly depressed the demand for and price

Table 1.3
An International Comparison of Changes in Real GNE/GDP Over the Period 1973-1982

	During the 1973-1975 recession	During the 1979-1980 recession	During the 1981-1982 recession[1]	Cumulative change: 1978 to the second half of 1982[2]	Cumulative change: 1973 to the second half of 1982[2]
			(per cent)		
Canada	– 0.6	– 1.5	– 5.5	0.3	17.4
United States	– 4.9	– 2.5	– 2.6	2.7	17.8
Germany	– 3.1	– 2.1	– 0.7	3.2	14.5
Japan[3]	– 3.1	—	– 0.7	16.5	37.4
United Kingdom	– 3.5	– 4.3	– 2.5	– 1.9	4.9
France	– 2.0	– 1.5	– 0.1	6.4	23.8
Italy	– 5.9	– 3.6	– 2.7	9.3	21.5
Average	– 3.3	– 2.2	– 2.1	5.2	19.6

[1] The last data point included is the second quarter of 1982 because quarterly data for all countries beyond this point were not available.
[2] The data for the second half of 1982 for countries other than Canada and the U.S. are OECD forecasts.
[3] There was no decline in real GNE in Japan during 1979-1980.
Source: OECD, *National Accounts of OECD Countries*, 1980, volume II; *Quarterly National Accounts Bulletin*, 1982, III; and *Economic Outlook*, December 1982; Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

of raw materials and fabricated products, which account for about 70 per cent of Canada's exports, leading to shut-downs in a number of export-based operations, especially in the mining sector.

The rate of inflation in Canada was the second highest among the major OECD countries in 1981 and 1982, exceeded by Italy. Although the need to absorb energy price increases helped keep the inflation rate high, the persistence of inflationary expectations, downward rigidity of nominal wages and certain prices, and declining productivity also contributed importantly to increase the rate of inflation in 1981 and, in spite of some moderation, to keep it in the double digit range in 1982. This, as well as record high U.S. interest rates, pushed Canadian interest rates to record levels in 1981 and 1982. This was an important factor in depressing real activity in 1981 and 1982.

An increase in the personal savings rate contributed to weak consumer demand which in turn led to decreases in business investment for new plant and equipment. The savings rate increased 3.1 percentage points between the second quarter of 1981 and the third quarter of 1982 – a major factor in the 2.5-per-cent decline in real consumer spending in 1982. In comparison, the personal savings rate in the U.S. increased less than 1 percentage point and real consumption rose 1.0 per cent in 1982.

Because of all these factors, the decline in Canadian output in the 1981-1982 recession was larger than in other major OECD countries. A comparison of international economic performance over longer time periods, which allows for the differential impact of the timing of energy price increases in different countries, is presented in Table 1.3.

From 1978 to the second half of 1982, the period covering the second oil price shock, real GNE increased slightly in Canada. In comparison, the U.K. GNE declined but all other countries posted increases. Thus, in terms of comparative changes in real GNE, Canada fared relatively badly during the second oil price shock. A comparison over

the extended period from 1973 to 1982 is, however, more meaningful in terms of countries adjusting to the two oil price shocks of the 1970s. Over this extended period, real growth was, on average, similar to that of the U.S. and better than both Germany and the U.K. In two of the three periods of recession since 1973, output in Canada fell less than in other countries, and over the longer period from 1973 to 1982, the cumulative increase in Canadian output of 17.4 per cent was only marginally less than the average increase of 19.6 per cent in the seven major OECD countries.

Developments at Year-end

The year 1982 closed on the promising note that Canada was finally getting out of the deep recession and was set on a path of sustained recovery. A number of indicators pointed in that direction. Although real GNE fell again in the fourth quarter, the decline was caused mainly by an increased rate of inventory run-off. The inventory-to-sale ratio fell to an historically low level, indicating that inventory correction had mainly occurred. This, combined with the fact that final domestic demand actually increased in the fourth quarter after five consecutive quarterly declines, suggested that the economy was finally poised for a recovery. Housing starts increased sharply in the last quarter of the year and were up slightly more than 80 per cent to 157,000 units (seasonally adjusted annual rate) in December from the 87,000 range in August and September. Sales of passenger cars increased 37 per cent from July to 66,800 units in December. The Conference Board of Canada's index of consumer confidence jumped 36 per cent from 54.8 in the second quarter to 74.7 in the fourth quarter. Senior business executives also became more optimistic about the near-term prospects for the Canadian economy, as shown in the Conference Board Survey of Business Attitudes.

According to the same survey, business confidence in Canada's investment climate improved. The Business Conditions Survey found Canadian manufacturing industries were more optimistic about the economy than in the recent past. The proportion reporting increased new orders was also up. Corporate profits increased substantially in the fourth quarter of 1982 after five consecutive quarterly declines and a modest increase in the third quarter. Employment increased in December after 15 consecutive monthly declines. Canada's trade surplus jumped to $21.6 billion at annualized rates in December 1982, a 157-per-cent increase from the previous record surplus of $8.4 billion in 1980. The year-over-year rate of increase of the CPI declined to 9.3 per cent in December. Prices in December showed no increase from November, the first time since September 1978. Non-COLA wage settlements fell to 7.3 per cent in the fourth quarter of 1982, down almost 50 per cent from the peak 14.0-per-cent increase in the fourth quarter of 1981. Interest rates declined substantially from the peak reached in 1981. The Bank Rate, for example, was 10¼ per cent at year-end compared to 21 per cent in August 1981.

2. Price and Wage Developments

The rate of inflation fell significantly in 1982 after gathering momentum in every year since 1976. The decrease was particularly large during the second half of 1982 when monthly price increases averaged 0.5 per cent, compared to average increases of 1.0 per cent during the first half of 1982 and through 1981. The year-over-year rate of increase in the CPI in December 1982 was 9.3 per cent compared to the peak of 13.0 per cent in July 1981. Wage settlements also fell significantly during the year, and particularly during the second half, to 7.3 per cent in the fourth quarter, from a peak of 14.0 per cent in the fourth quarter of 1981.

A number of factors contributed to reduce the rate of inflation during the year. These include a significant slowing in the rise of food and energy prices, weak product markets which slashed profit margins to record low levels, weak labour markets which slowed increases in labour costs, declines in industrial and raw material prices, and the impact of the federal government's 6 and 5 wage and price restraint program.

The 6 and 5 program, introduced in June 1982, restricted wage increases to 6 per cent in the first year of the program and 5 per cent in the second year for all federal public service employees, employees of Crown corporations, ministers of the Crown and members of the House of Commons and the Senate. Federal agencies which regulate prices of certain goods and services were asked to adhere to the guidelines. In addition, the Minister of Finance urged all Canadians to lower their demands for income increases to these ranges. Most provincial governments introduced similar restraint programs.

Price Developments

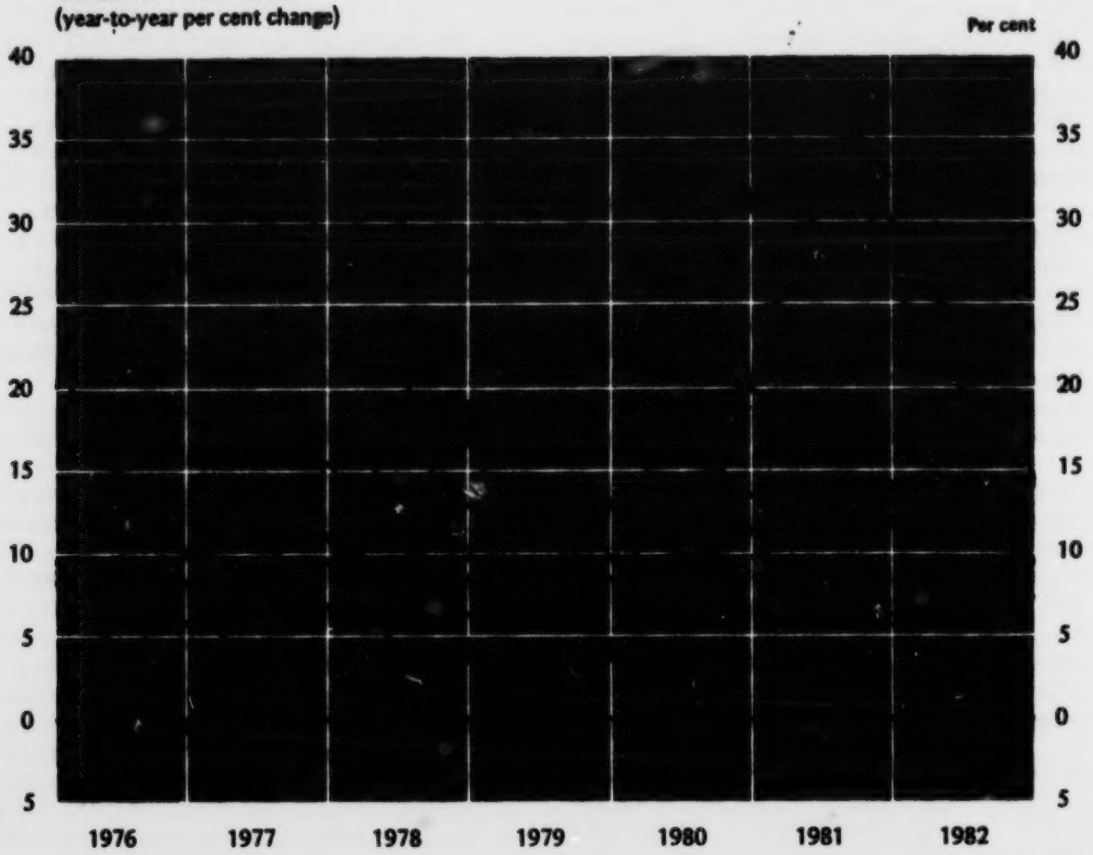
The CPI rate of inflation in Canada climbed steadily from 7.5 per cent in 1976 to 12.5 per cent in 1981. During this five-year run-up of inflation, food price increases accelerated from 2.7 per cent in 1976 to a peak of 15.5 per cent in 1978 and remained in the double-digit range until 1981. Although domestic energy prices have been increasing rapidly since 1974 in response to the world oil price shocks, the rate of increase accelerated in 1980 and particularly in 1981. The increase in measured rates of inflation reinforced inflationary expectations and these were reflected in rising nominal wage gains. Non-COLA wage settlements – those without a cost-of-living adjustment clause – rose steadily from 7.2 per cent in 1978 to 13.3 per cent in 1981. Increases in input costs over this period were reflected in the upward drift of the rate of increase of the CPI excluding food and energy, sometimes used as a measure of the underlying rate of inflation, from 6.1 per cent in 1978 to 10.9 per cent in 1981.

In 1982, the rate of inflation fell 1.7 percentage points to 10.8 per cent, ending five years of steady increases in the rate. On an annual basis, the decrease in inflation has mainly occurred as a result of slower increases in food and energy prices. The CPI for food increased 7.2 per cent in 1982 – in single digits for the first time in five years. The rate of increase in energy prices, though still high at 19.8 per cent in 1982, was significantly less than the 30.1-per-cent increase in 1981. Energy price increases in 1981 and 1982 reflected the impact of the energy price agreement between the governments of Canada and Alberta signed in September 1981. The rate of increase in energy prices was particularly rapid in 1981 because of the federal government's imposition of a special compensation charge, in response to Alberta's cutbacks in oil production, to help finance the resulting increase in subsidies on imported crude. Because of the government's policy of smoothing the impact of the adjustment to higher oil prices arising from the world oil price shocks in 1974 and 1980, energy prices in Canada increased somewhat later than in other countries. In 1982, however, Canadian energy price levels were still below world oil price levels. The Canadian "blended" price in 1982 averaged 73 per cent of the international oil price when adjusted for quality differences; unadjusted for quality differences, the proportion was 79 per cent (Table 2.1).

Excluding food and energy, the CPI increased 10.8 per cent in 1982, only marginally less than the 10.9-per-cent increase in 1981. However, these annual increases hide the fact that the rate of inflation of this sub-aggregate of the CPI was

Chart 2.1

Consumer Price Index
(year-to-year per cent change)



Source: Statistics Canada, *The Consumer Price Index*, monthly, cat. 62-001.

increasing during 1981 and decreasing during 1982. The year-over-year increase in the CPI excluding food and energy was 12.0 per cent in December 1981, compared with 10.1 per cent in January 1981. It declined steadily over 1982 to 9.2 per cent in December. These data suggest that there is a clear downward trend in the underlying rate of inflation in Canada, though this decline started somewhat later than the decline in the all-items CPI rate of inflation.

The CPI for goods increased 9.4 per cent in 1982, down 3.7 percentage points from its rate of increase in 1981, while the CPI for services increased 12.9 per cent in 1982, 1.4 percentage points faster than in 1981. Within the goods component of the CPI, the restraining influence of reduced demand was felt mainly in prices of durable and semi-durable goods and food. Weak demand for durables forced retailers to lower profit margins to move inventories. Following a four-year period in which service price increases lagged behind increases in goods prices, price increases for services in 1982 outpaced the rate of increase in goods prices. The impact of higher mortgage rates and large increases in energy prices as well as sharply higher increases in the cost of communication and public transportation explain a large part of the increase of service price inflation in 1982. An examination of the monthly CPI data suggests that service price inflation has also begun to decrease. Service prices increased 13.8 per cent in March 1982, on a year-over-year basis, and only 11.0 per cent in

Table 2.1
Recent Price Inflation in Canada

	1980	1981 annual	1981 year-end[1]	1982 annual	1982 year-end[1]
		(percentage change)			
Consumer price index					
Food	10.7	11.4	5.6	7.2	7.5
Energy	16.0	30.1	30.4	19.8	13.8
Total excluding food and energy	9.4	10.9	12.0	10.8	9.2
Total CPI	10.2	12.5	12.1	10.8	9.3
Goods	11.5	13.1	11.0	9.4	8.1
Services	8.2	11.5	13.6	12.9	11.0
GNE implicit prices					
Consumer	10.7	11.3	10.9	10.5	10.3
Government	10.9	12.6	12.1	9.2	6.8
Housing	5.4	9.3	7.0	3.0	0.2
Business investment	11.0	11.1	11.4	8.7	6.1
Domestic demand	10.7	11.3	11.7	10.6	10.5
Imports	15.0	11.1	8.4	4.0	3.8
Domestic demand less imports	8.9	11.5	13.6	13.9	1.7
Exports	15.7	7.6	6.7	2.5	2.4
Total GNE	11.1	10.1	11.1	10.6	10.4
Industry selling prices	13.5	10.2	8.4	6.0	4.4
Domestic raw material prices	14.5	19.1	13.5	8.3	8.3
Excluding fuels	11.8	0.8	– 7.8	– 3.9	– 0.9
World commodity prices, excluding energy ($U.S.)	17.8	– 11.5	– 19.6	– 16.6	– 12.0
		(dollars/bbl)			
Crude petroleum prices					
Imported-CIF Montreal	36.96	42.99	41.95	41.35	42.00
Wellhead-Alberta	15.58	18.68	21.25	24.63	25.75
Blended price	18.08	26.94	29.86	32.76	34.65

[1] Year-over-year percentage changes for the fourth quarter for GNE implicit prices and for the month of December for all other price series.

Source: Statistics Canada, *Consumer Prices and Price Indexes*, quarterly, cat. 62-010; *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *Industry Price Indexes*, monthly, cat. 62-011; and *The Economist*, weekly.

December 1982. The comparable increases in goods prices were 10.1 per cent and 8.1 per cent respectively.

On a national accounts basis, the average price paid by Canadians in 1982 for goods and services, whether domestically or externally produced – the implicit price index for domestic demand – increased 10.6 per cent in 1982, down 0.7 percentage points from the 11.3-per-cent increase recorded in 1981, as shown in Table 2.1. This increase was a weighted average of the

13.9-per-cent increase in domestic prices excluding imports and a small 4.0-per-cent increase in the price of imports. The large increase in the implicit price deflator for domestic demand less imports reflected a relatively strong domestic component of inflation, including particularly an acceleration in the rate of increase of inventory prices, while the relatively small increase in import prices indicated to a large extent lower inflation rates among Canada's major trading partners. Export prices rose only 2.5 per cent in 1982, reflecting a general weakness in demand in international markets. When these are included, the implicit price index for gross national expenditure (GNE-IPI) is obtained. Despite the slowing in export prices, the increase in the GNE-IPI, the most comprehensive indicator of inflation, increased from 10.1 per cent in 1981 to 10.6 per cent in 1982. Although this indicates an acceleration in inflation in 1982 over 1981 on an annual basis, the trend in inflation during the course of the year was again downward. The year-over-year increase in the GNE-IPI in the fourth quarter of 1982 was 10.4 per cent compared to 11.2 per cent in the first quarter of 1982.

Compared to retail prices, prices at the manufacturing level responded more quickly and strongly to the weakness in demand beginning in the second half of 1981. On an annual basis, the industry selling price index (ISPI), a base-year-weighted index that shows movements in both the cost of products sold by one manufacturer to another and the prices paid by distributors, including exporters, for finished manufacturing commodities, increased 6.0 per cent in 1982, down 4.2 percentage points from the increase reported in 1981 (Table 2.1). On a year-over-year basis, the ISPI rate of inflation peaked at 11.7 per cent in June 1981 and decreased to 7.1 per cent in January 1982 and 4.4 per cent in December 1982. The relatively larger burden of manufacturers' inventories, and low levels of corporate liquidity, appear to have brought about faster price adjustments in this sector. The decline in inflation at the manufacturing level was broadly based among industry groups and was passed on in lower costs to retailers, helping to put downward pressure on retail prices, though with a lag.

World commodity prices excluding energy in U.S. dollars, international oil prices, and domestic raw material prices excluding fuels declined in 1982. Bumper harvests of grain and soybeans, sugar surpluses and a build-up in producer stocks of metals as a result of the worldwide recession were reflected in a 16.6-per-cent decline in world commodity prices excluding energy, marking the second year of commodity price declines. The world price of oil also fell in 1982. Domestic raw material prices excluding fuels declined 3.9 per cent in 1982, after increasing only 0.8 per cent in 1981, as sharp price declines for wood and metals, reflecting the weak world demand, offset relatively large increases in prices of non-metallic minerals. Even including domestic fuel prices, the rate of increase of domestic raw material prices fell substantially, from 19.1 per cent in 1981 to 8.3 per cent in 1982.

Labour Costs

The rate of growth of nominal wages continued to advance steadily from 1979 until the first quarter of 1982 (Table 2.2). However, the depth of the Canadian recession, declining inflation and the federal government's 6 and 5 program, combined with similar initiatives by most provinces, acted to break the momentum of rising wage settlements and earnings and contributed importantly to the decrease in the rate of nominal wage growth in 1982, particularly in the second half of the year.

An analysis of recent wage developments requires a review both of new settlements, which are an indicator of future labour input costs, and of earnings, which are an indicator of current wage costs. The average annual increase granted in new non-COLA settlements declined to 10.0 per cent in 1982 from 13.3 per cent in 1981. By the fourth quarter of 1982, average annual increases in non-COLA wage settlements had declined substantially to 7.3 per cent compared to the peak increase of 14.0 per cent in the fourth quarter of 1981. Increases in public sector settlements fell 3.3 percentage points to 9.9 per cent in 1982, while average private sector increases fell 2.9 percentage points to 10.6 per cent. The relatively larger decline of public sector wage settlements in 1982 occurred in the second half of the year reflecting the impact of the federal government's 6 and 5 program and provincial wage restraint policies. Non-COLA negotiated wage settlements in the federal sector fell 4.4 percentage points to 8.0 per cent in 1982, the lowest increase among all public sector groups and

Table 2.2
Recent Wage Settlements in Canada[1]

	1980	1981	1982 Annual	1Q	2Q	3Q	4Q
			(percentage change)				
Non-COLA negotiated settlements							
Commercial	11.5	13.8	9.6	12.9	11.8	10.1	7.7
Non-commercial	10.9	13.1	10.1	12.8	12.8	10.1	7.1
Total	11.1	13.3	10.0	12.8	12.5	10.1	7.3
Private sector	11.7	13.5	10.6	12.5	11.9	10.1	9.8
Public sector	10.9	13.2	9.9	12.8	12.7	10.1	6.9
Federal sector	10.8	12.4	8.0	11.8	12.1	8.3	6.0
Provincial administration	11.2	13.6	11.2	12.9	13.3	13.2	8.8
Local administration	10.6	13.4	12.9	13.4	11.8	18.7[2]	—
Education, health and welfare	11.0	13.7	11.3	14.1	12.7	12.5	7.3
Telephone, electric and water utilities	10.7	13.6	11.5	14.2	13.0	10.8	6.6
Average weekly wages and salaries	10.1	11.9		11.6	10.3	6.3	

Note: — indicates no bargaining.

(1) Labour Canada reports wage settlements based on two methods of classifying contract settlements according to industry. The commercial/non-commercial breakdown employs the "standard industrial classification" (SIC) system used by Statistics Canada which organizes establishments according to their principal economic activity. For example, a government-owned transit system or Post Office is classed among other transportation and communication establishments under the commercial sector, and not under the non-commercial sector as part of the government. The private/public breakdown classifies contracts according to the industry of the employer so contracts ratified between the Government of Canada and the Post Office workers will be classed under the federal government in the public sector. Another example is Air Canada which is included under the commercial and public sector categories.

(2) Represents only one contract covering fewer than 1000 workers.

Source: Labour Canada, *Labour Data*, quarterly; Statistics Canada, *Employment, Earnings and Hours*, monthly, cat. 72-002.

lower than the private sector average, while settlements in provincial administration fell 2.4 percentage points to 11.2 per cent in 1982. On the earnings side, average weekly wages and salaries for the industrial sector increased 9.0 per cent in 1982, down from the 11.9-per-cent increase in 1981.

Unit labour costs, which reflect the interplay of productivity performance and wage costs, increased 12.3 per cent in 1982, up from the 10.5-per-cent increase in 1981 (Table 2.3). A sharp drop in labour productivity in 1982 offset the deceleration in wage increases to produce this outcome. An examination of the quarterly pattern, however, reveals a significant decline in the rate of increase of unit labour costs in the second half of the year; in the fourth quarter of 1982, unit labour costs increased 9.8 per cent at an annual rate compared to an average increase of 14.4 per cent in the first half of the year.

Canada-United States Comparisons of Price and Wage Developments

Increases in consumer prices and nominal wages slowed more quickly in the U.S. than in Canada in 1982, thus widening the gap in inflation performance that had developed in 1981. Differences in the timing of the movement towards world energy prices, and the apparent greater responsiveness of U.S. prices and wages to weak product and labour demand, account for a significant part of the gap.

Table 2.3
Canada-U.S. Comparison of Price and Wage Developments

	1976	1977	1978	1979	1980	1981	1982
	(percentage change)						
Canada							
CPI	7.5	8.0	8.9	9.1	10.2	12.5	10.8
Goods	4.9	7.4	10.2	10.6	11.5	13.1	9.4
Services	12.2	9.0	6.8	7.0	8.2	11.5	12.9
Commercial non-COLA negotiated settlements	10.6	7.9	7.6	9.5	11.5	13.8	9.6
Unit labour costs	9.6	8.0	5.3	8.6	12.3	10.5	12.3
United States							
CPI	5.7	6.5	7.7	11.3	13.5	10.3	6.2
Goods	4.3	5.8	7.1	11.4	12.2	8.4	4.0
Services	8.2	7.7	8.6	11.0	15.4	13.1	9.0
Commercial non-COLA negotiated settlements	8.0	7.9	7.6	8.1	10.3	8.8	6.6
Unit labour costs	5.6	5.4	7.5	9.0	10.0	8.5	6.9

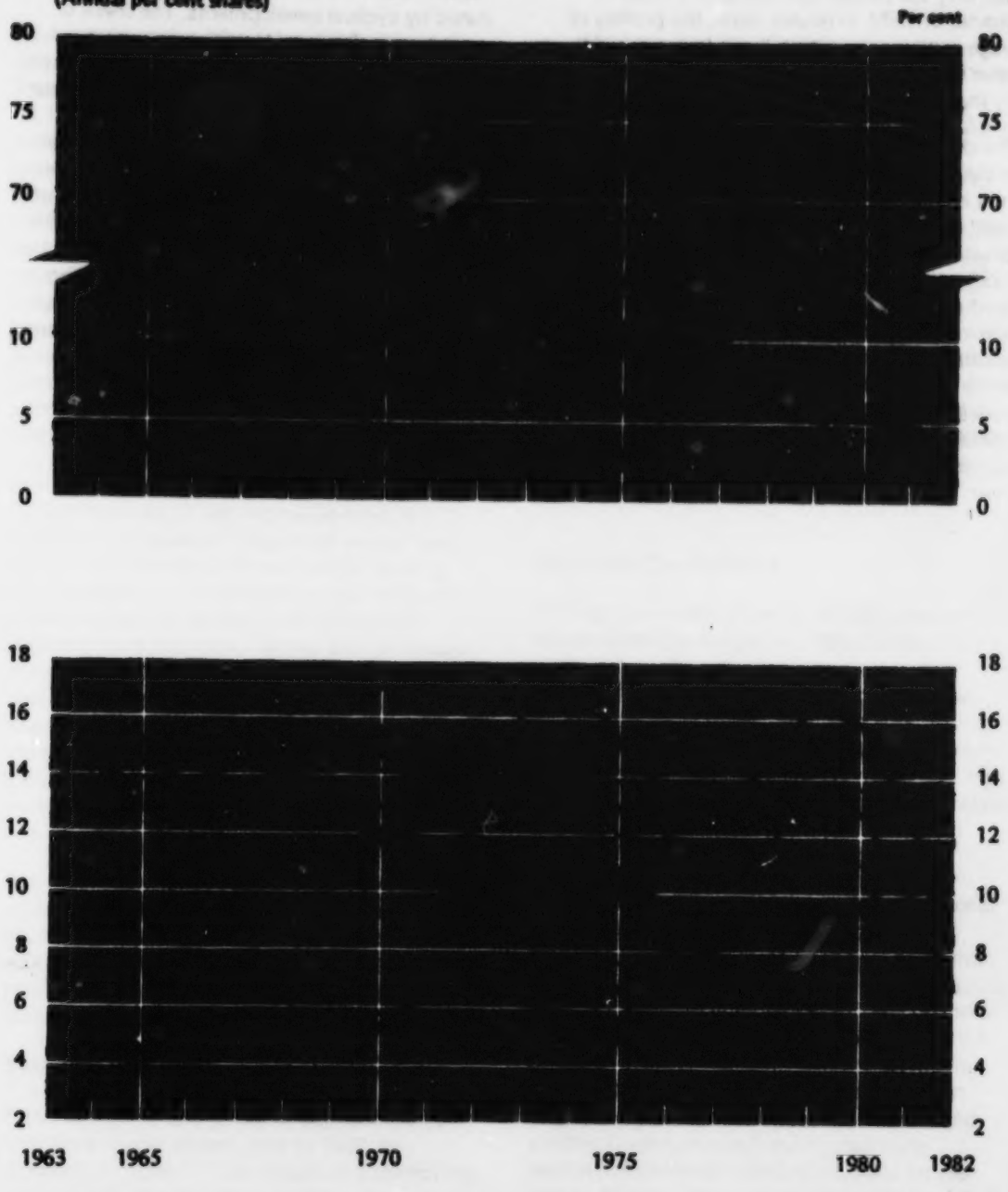
Source: Statistics Canada, *Consumer Prices and Price Indexes*, quarterly, cat. 62-010; and *National Income and Expenditure Accounts*, quarterly, cat. 13-001; Labour Canada, *Labour Data*, quarterly; U.S. Bureau of Labour Statistics, *CPI Retail Report*, monthly; and U.S. Department of Commerce, *Survey of Current Business*, monthly.

The U.S. CPI rate of inflation declined significantly for the second consecutive year to 6.2 per cent in 1982 from 10.3 per cent in 1981 and its peak of 13.5 per cent in 1980 (Table 2.3). As a result, the gap between the Canadian and U.S. CPI rates of inflation increased to 4.6 percentage points in 1982 from 2.2 percentage points in 1981. Table 2.3 indicates that from 1976 to 1982 the CPI rate of inflation followed a relatively smooth profile in Canada compared to the U.S. – accelerating steadily from 7.5 per cent in 1976 to its peak of 12.5 per cent in 1981 and then trending downwards relatively slowly to 10.8 per cent in 1982. In comparison, the U.S. rate accelerated more quickly from its trough of 5.7 per cent in 1976 to a peak of 13.5 per cent in 1980 and then fell quickly to 6.2 per cent in 1982. The U.S. move to world oil prices in 1979 and 1980 and the delayed increases in Canadian oil prices in 1981 and 1982 explain a large part of the inflation differential in the two countries in the past four years. In general, both the goods and services price components of the U.S. CPI have responded more quickly to economic developments than their Canadian counterparts. The greater volatility of service price increases in the U.S. is a result in part of the greater sensitivity of its home-ownership component to changes in housing market conditions, particularly mortgage rates and house prices; this greater sensitivity derives at least in part from the particular method used to construct the U.S. CPI.

On the wage side, the average annual increase in non-COLA negotiated wage settlements in the commercial sector declined 4.2 percentage points to 9.6 per cent in Canada in 1982 compared to the U.S. decline of 2.2 percentage points to 6.6 per cent. In 1982 wage settlements in Canada were higher than in the U.S. for the third consecutive year. However, as a result of the relatively larger decline in Canada, the gap between Canadian and U.S. wage settlements narrowed to 3.0 percentage points in 1982 from 5.0 percentage points in 1981. The decline in Canadian wage settlements was particularly large

Chart 2.2

Shares of Net National Income at Factor Cost
(Annual per cent shares)



Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

in the second half of the year; as a result, the gap between Canadian and U.S. wage settlements was only 2.2 percentage points in the fourth quarter of 1982. In recent years, the profiles of wage settlements in both Canada and the U.S. have lagged behind rates of inflation as measured by the CPI.

The downtrend in the growth of unit labour costs in the U.S. from 10.0 per cent in 1980 to 6.9 per cent in 1982 reflects a similar downward movement in nominal wage increases. In Canada, the growth in unit labour costs actually increased in 1982 because of a significant decline in labour productivity which more than offset the slowing in nominal wage growth. However, because of a substantial decline in Canadian unit labour costs in the latter part of the year, the differential between Canada and the U.S. was only 3½ percentage points in the second half of 1982 compared to 5½ percentage points for the whole year.

Shares of Net National Income

Income share movements in 1982 were dominated by cyclical developments. The share of wages and salaries and supplementary labour income in net national income (NNI) rose sharply to a peak of 75.8 per cent in 1982 from 73.9 per cent in 1981 (Chart 2.2). The corporate profit share fell to 8.2 per cent in 1982 from 12.8 per cent in 1981. The corporate profit share at the end of 1982 was less than half of what it was at its most recent peak in 1979. An increase in the personal savings rate and the rise in interest rates in the first half of 1982 resulted in a continued increase in the share of interest and miscellaneous investment income. Non-farm unincorporated business income as a share of NNI increased slightly in 1982.

3. Personal, Housing and Business Sectors

Real consumer spending fell in 1982, though the rate of decline was less than that of real GNE. The savings rate jumped to a post-war high of 13.7 per cent in 1982, more than a percentage point higher than in 1981. The growth of nominal personal disposable income outpaced the increase in nominal GNE because of large increases in interest-sensitive investment income and unemployment-sensitive government transfer payments, and the fact that labour income did not slow as sharply as did GNP. The weakness in consumer spending was concentrated in interest-sensitive spending on durable and semi-durable goods. The level of spending on non-durable goods and services showed little change from 1981.

New housing construction declined substantially in 1982 because of high mortgage rates, a decline in real personal disposable income and rising unemployment. Starts of single dwelling units remained particularly weak until the fourth quarter when they picked up in response to declining mortgage rates, federal and provincial housing incentives and declines in inventories of new houses. Multiple unit starts were, however, strong in the first half of the year in response to the multiple unit residential building (MURB) program. This led to a large increase in inventories of multiple units which depressed starts in the second half of the year.

Real investment fell in 1982 in response to low capacity utilization, high interest rates and declines in corporate profitability. This decline was concentrated in the non-energy sector. Inventory run-off was rapid and accounted for about half of the decline in real GNE in 1982.

Sources of Income

Personal income and personal disposable income both increased at slower rates in 1982, as indicated in Table 3.1, due largely to a slackening in the growth of labour income, the largest source of personal income. Disposable income grew less than personal income because of an increase in the average effective tax rate.

The rate of increase of labour income fell because of decreases in employment and in the growth of average compensation per employee. Growth in investment income also slowed in 1982 because of a smaller increase in the amount of savings and declines in interest rates, particularly in the second half of the year. Farm income, which often fluctuates significantly from year to year, fell sharply in 1982 after a substantial advance in 1981. A high level of reserves around the world at the beginning of the year following the heavy crops of 1981 forced down prices of the main farm products, particularly wheat.

Real personal disposable income, as conventionally measured by dividing nominal figures by the consumer expenditure implicit price index, also fell in 1982. This decrease is largely explained by the decline in labour income, also adjusted for price changes.

Personal Expenditure

Following a modest increase in 1981, real consumer spending dropped in 1982 (Table 3.2) partly due to the reduction in real disposable income. The sharpest decline in consumer purchases was for durables, which were particularly affected by historically high interest rates. Semi-durable goods also showed a decrease, although a smaller one, whereas spending on non-durables and services, which is less subject to cyclical variations, showed very little change.

Other factors may also have influenced personal sector spending. The high mortgage interest rates induced people to divert money away from personal expenditures to reducing their mortgage debt. Although no comprehensive data on mortgages in relation to home values is available it is possible, using Canada Mortgage and Housing Corporation data, to construct a ratio of mortgage money borrowed to the value of new and existing homes on which mortgages were renewed. Estimated values of this ratio for the period 1974 to 1982 are provided in Table 3.3. It is difficult to establish a precise relationship between mortgage rates and this ratio for each period. However, it is quite clear that, on average, increases in mortgage interest rates seem to have reduced the proportion of a house's value covered by borrowed money. For example, the

Table 3.1
Sources and Disposition of Personal Income

	1978	1979	1980	1981	1982
	(percentage change)				
Sources of income					
Labour income[1]	9.0	11.7	12.7	13.9	7.0
Net farm income	21.4	6.5	−8.8	47.4	−10.9
Net non-farm unincorporated business income	8.1	8.4	9.2	13.9	5.6
Interest, dividends and other investment income	25.0	21.9	15.2	35.1	14.4
Transfer income	12.8	6.5	14.4	14.3	23.5
Personal income	11.1	11.8	12.7	16.9	9.7
Personal disposable income	12.2	12.2	12.4	15.7	9.3
Personal disposable income in real terms	4.6	2.7	1.5	3.9	−1.1
Disposition of personal income					
Consumer expenditure	10.3	11.4	11.9	13.4	7.8
Personal direct tax[2]	6.7	10.2	14.1	22.2	11.5
Transfer payments[3]	20.6	47.6	29.3	35.5	6.2
Savings	28.5	12.8	13.0	28.4	20.4
			(per cent)		
Effective average tax rate[4]	18.6	18.3	18.6	19.4	19.7

(1) Includes military pay and allowances.
(2) Includes all current transfers to government.
(3) Includes interest on consumer debt and transfers to non-residents.
(4) Calculated as one minus the ratio of personal disposable income to personal income.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

average amount of money borrowed as a proportion of the value of a house fell to 0.780 during the period 1980-1982, when mortgage interest rates were relatively high, from 0.876 in 1974-1979. In addition, the decline in employment in 1982 and the volatility of interest rates over the past few years may have prompted households to be more cautious in their spending decisions.

Inflation-adjusted Savings Rate

The personal savings rate in the national accounts is overstated during periods of inflation because of biases in correctly measuring investment income of and interest payments by the personal sector. This is because measured interest receipts or payments include an inflation premium portion which in fact compensates lenders for the expected decline in the purchasing power of the principal. The inflation premium amounts to a repayment of a part of the real value of the loan; for analytical purposes, it should not be included in the income of lenders and expenditure of borrowers. As shown in the *Economic Review* for 1982, the inflation adjustment lowers the Canadian personal savings rate substantially in the post-1973 inflationary period.

Table 3.4 updates the estimates on the inflation-adjusted personal savings rate. The actual savings rate increased 1.4 percentage points to 13.7 per cent in 1982. Compared to this, the inflation-adjusted savings rate was 7.1 percentage points less at 6.6 per cent. The actual savings rate

Table 3.2
Percentage Share and Growth of Consumer Expenditure Categories[1]

	Share of total consumer expenditure				Rate of change			
	Average 1971-1979	1980	1981	1982	Average 1971-1979	1980	1981	1982
	(per cent)				(percentage change)			
Durables	16.9	17.4	17.3	16.2	8.9	– 1.8	1.1	– 8.8
Autos and repairs	7.7	7.2	7.0	6.2	7.0	– 6.3	– 1.2	– 13.2
Household furniture and appliances	4.2	4.2	4.2	3.8	7.4	– 0.4	0.5	– 11.6
Recreation equipment	5.0	6.0	6.1	6.1	13.4	3.2	4.2	– 1.8
Semi-durables	13.6	13.6	13.8	13.5	5.9	– 1.2	2.9	– 4.6
Clothing and footwear	8.1	8.5	8.8	8.7	6.3	– 0.0	4.6	– 3.6
Household furniture	3.6	3.5	3.4	3.2	6.5	– 0.9	– 1.3	– 6.0
Books and newspapers	1.2	1.1	1.1	1.0	1.5	2.1	1.9	– 7.8
Jewellery	0.7	0.5	0.6	0.5	7.0	– 21.8	5.0	– 5.6
Non-durables	29.5	27.7	27.5	27.9	3.6	0.8	1.0	– 0.9
Food, beverages and tobacco	19.7	17.9	17.9	18.3	2.9	0.6	1.9	– 0.3
Gasoline, oil and grease	2.9	2.9	2.7	2.5	5.6	1.3	– 3.4	– 8.8
Household supplies	1.4	1.3	1.3	1.3	5.5	– 3.0	– 0.1	– 3.2
Drugs and sundries	1.5	1.6	1.7	1.7	7.6	2.9	3.9	0.5
Electricity and gas	3.1	2.9	2.7	2.9	2.4	1.8	– 2.8	2.8
Toilet articles	1.0	1.1	1.1	1.1	8.1	2.6	4.1	– 0.8
Services	40.1	41.2	41.5	42.5	4.7	3.3	2.5	– 0.1
Transportation and communications	4.8	5.5	5.6	5.7	7.5	4.0	3.7	– 0.3
Rent	14.5	15.1	15.3	16.0	4.0	4.2	3.3	2.5
Household	1.0	0.8	0.8	0.8	0.1	– 1.8	1.4	1.6
Medical	1.6	1.7	1.8	1.8	2.0	3.7	5.0	– 2.2
Personal	12.9	13.3	13.3	13.7	5.3	2.1	2.0	– 3.1
Recreational, educational, cultural and other	4.4	4.2	4.2	4.2	4.3	3.7	0.7	– 2.4
Consumer expenditure	100.0	100.0	100.0	100.0	5.2	1.1	1.9	– 2.5

[1] All estimates are obtained using consumer expenditures in constant 1971 dollars.
Source: Statistics Canada, *National Income and Expenditure Accounts*, annual, cat. 13-201

increased to 10.9 per cent, on average, during the 1973-1982 period, up 5.1 percentage points from the 1963-1972 period. The comparable increase in the inflation-adjusted savings rate was significantly less at 1.7 percentage points to 5.0 per cent.

Table 3.3
Estimated Mortgage Debt in Relation to House Values

	Values of houses for which mortgage loans have been made	Amount of mortgage loans	Loans as a fraction of house value	5-year conventional mortgage interest rate
	(millions of dollars)			(per cent)
1974	6,180	5,933	0.960	11.2
1975	9,859	8,982	0.911	11.4
1976	11,549	10,185	0.882	11.8
1977	17,497	14,603	0.835	10.4
1978	16,585	13,887	0.837	10.6
1979	16,883	14,049	0.832	12.0
1980	14,693	11,988	0.816	14.3
1981	11,519	9,190	0.798	18.2
1982	14,722	10,674	0.725	17.9
Averages				
1974-1979	—	—	0.876	11.2
1980-1982	—	—	0.780	16.8

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*, and Department of Finance estimates.

Table 3.4
Personal Savings Rate, Actual and Adjusted For Inflation

	Measured	Inflation-adjusted
1973	9.1	2.9
1974	9.9	1.1
1975	10.9	5.5
1976	10.0	6.5
1977	9.7	4.8
1978	11.1	6.7
1979	11.1	5.7
1980	11.2	4.0
1981	12.4	5.7
1982	13.7	6.6
Average		
1963-1972	5.8	3.3
1973-1982	10.9	5.0

(1) The personal savings rate is the ratio of personal savings to personal disposable income.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

Housing

Real residential investment fell 23.5 per cent in 1982, the fifth decline in the last six years (Table 3.5). The markets for both new and existing homes were considerably weaker during 1982 than in the previous year. Factors such as high mortgage rates during the first three quarters of the year, declining real disposable income and uncertainty caused by rising unemployment restrained the personal sector from purchasing homes. Instead, as indicated above, this sector used part of its savings to reduce the size of existing mortgages.

New housing starts totalled 125,860 units in 1982, down 29.3 per cent from the total in 1981. Starts of single detached units were particularly affected, falling 38.9 per cent to 39,100 units. In addition to the low demand for these units from homebuyers, builders were faced with fairly high and increasing levels of inventories of unsold homes in the early part of the year. Assistance was offered to the industry in the June federal budget in the form of grants for first-time and new-home buyers, increased funds for the home renovation plan and for non-profit and co-operative housing, more assistance for the Canada rental support plan and the extension of the Canada mortgage renewal plan. These measures did not initially spur construction as developers attempted instead to reduce their inventories. In the fourth quarter, however, these measures, plus an additional allocation of federal funds to two housing programs, several provincial incentive programs and sharply lower mortgage rates combined to boost new construction starts of single units by more than 40 per cent. In addition, at year end inventories were almost 40 per cent below year-earlier levels.

Construction of multiple dwelling units was considerably more volatile. Although the MURB incentive program was officially terminated at the end of 1981, it still had a significant impact on starts in 1982 because of some of its provisions. The November 1981 budget stipulated that soft costs were to be allowed full tax write-off in 1982 in cases where the footings or base supports of units under MURB were in place by December 31, 1981 or where arrangements for construction were substantially advanced before November 1981. Some units which were registered under MURB in 1981 were not put under construction until early 1982. The large increase in construction in the first quarter added considerably to inventories of unsold dwellings in the face of weak demand. Starts then fell off sharply and it

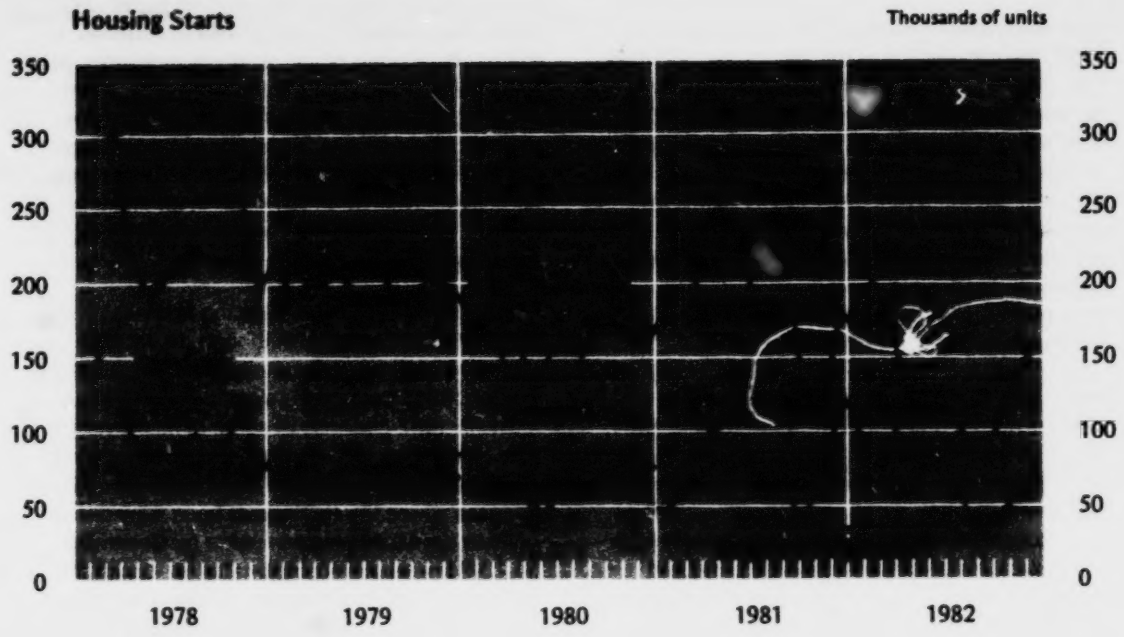
Table 3.5
New Housing Indicators

	1978	1979	1980	1981	1982
			(percentage change)		
Real residential construction expenditure	– 1.8	– 2.8	– 6.1	5.6	– 23.5
			(thousands)		
Housing starts	227.7	197.0	158.6	178.0	125.9
Urban – Singles	72.9	72.9	60.7	63.4	39.1
Multiples	105.8	78.8	64.3	79.0	65.7
Total	178.7	151.2	125.0	142.4	104.8
			(per cent)		
Conventional mortgage rate	10.6	12.0	14.3	18.2	17.9

Source: Statistics Canada, *Canadian Statistical Review*, monthly, cat. 11-003; Bank of Canada, *Review*, monthly; Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*, annual.

Chart 3.1

Housing Starts



Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*, annual.

was not until the final quarter of the year that the various government incentive programs and lower mortgage rates induced a moderate increase in starts. One effect of the MURB program was a slight increase in the apartment vacancy rate in 1982 following a very tight rental market situation in 1981.

Demand for existing homes was much lower during the first half of 1982 than the corresponding period of 1981, but rebounded in the fourth quarter of the year mainly in response to lower interest rates. Average house prices declined in the first three quarters of the year and, in December 1982, the average sale price was 9.4 per cent below its December 1981 level.

Fixed Investment

Real business investment in plant and equipment declined 11.5 per cent in 1982 (see Table 1.1) a postwar record. The decline followed three consecutive years in which business investment provided a major source of strength to the economy, posting an average rate of growth of 8.6 per cent during 1979-1981. The trend towards an increase in business investment as a share of GNE, from 13.9 per cent in the 1970s to 16.3 per cent in 1980-1981 on average, was reversed in 1982 as the share fell to 15.2 per cent.

After slowing in the latter half of 1981, investment growth turned negative in the first quarter of 1982 and continued to decline until the fourth quarter when it registered a small increase. A decline would have been expected on the basis of normal cyclical patterns as capital spending responded to weakening final demand, declining rates of capacity utilization and generally weakening corporate balance sheets. The decline in 1982 was more acute, presumably due to historically high interest rates which increased financing costs substantially. Profit margins were eroded as weak product demand prevented interest, energy and other operating costs from being passed on fully to prices. By the end of 1982, the manufacturing sector was using only 63 per cent of its available capacity, down from almost 83 per cent in early 1981.

The progressive deterioration in the investment climate throughout 1982 is reflected in the survey

of capital spending intentions taken at the beginning of 1982 and again in mid-1982. At the beginning of the year, the business sector expected to increase nominal capital spending by 14.0 per cent in 1982. The anticipated increase in capital outlays at mid-year was revised down to 3.6 per cent. In contrast, investment actually declined 4.0 per cent in 1982, after increasing 19.4 per cent in 1981. Actual investment outcomes were consistently below the original and revised intentions in both the energy and non-energy sectors.

The weakness in investment spending was particularly concentrated in the non-energy sector. As indicated in Table 3.6, actual total non-energy investment declined 9.6 per cent in 1982, after increasing at an average annual rate of 19.1 per cent in 1980 and 1981. Investment in both goods-producing and services – producing industries fell substantially. Within the goods – producing sector, the largest decline occurred in the forestry sector in response to depressed world demand and falling international prices for forestry products. Manufacturing investment also fell

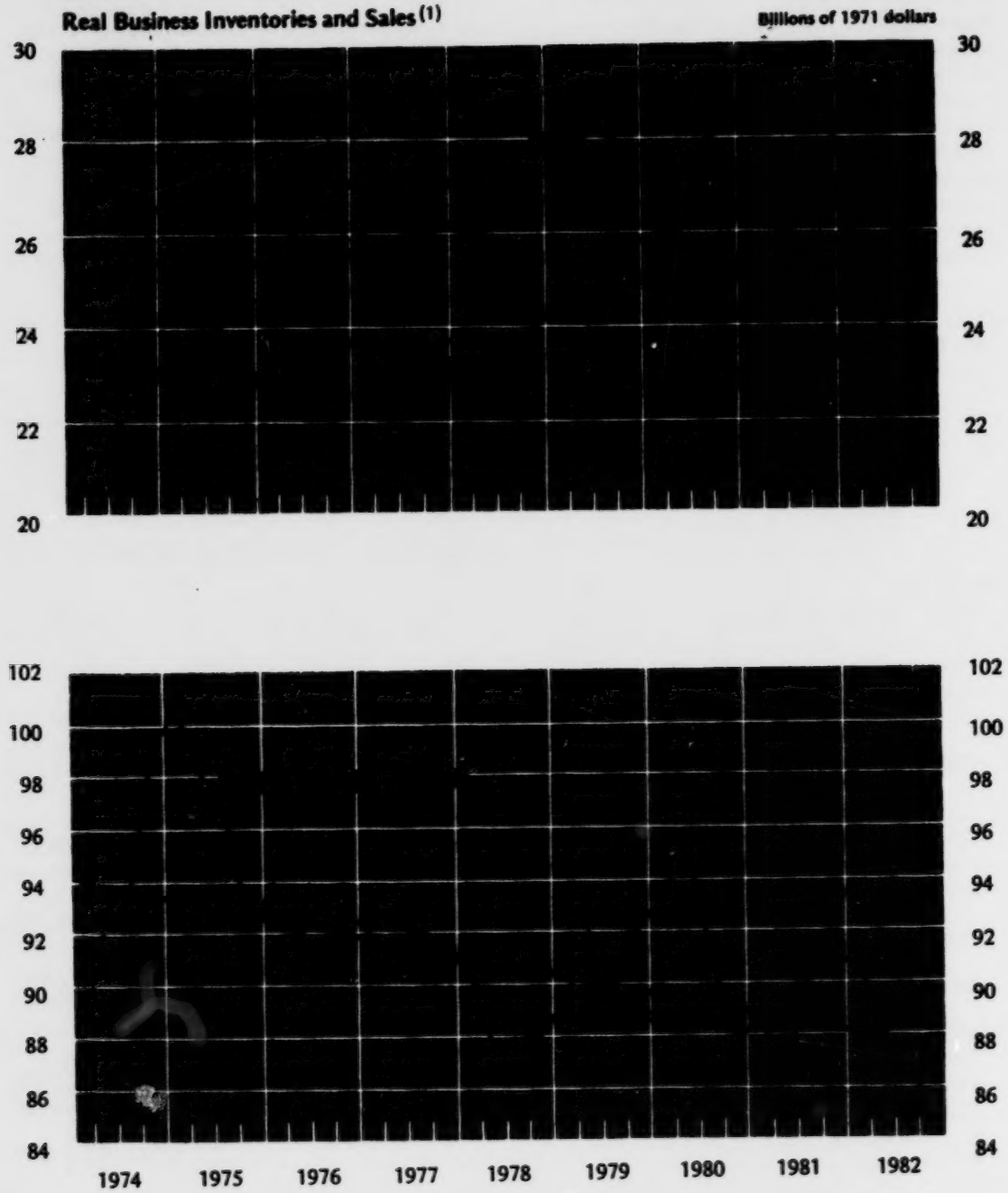
Table 3.6
New Business Capital Expenditures [1]
(Current dollars)

	Share of total in 1982	1980	1981	1982
	(per cent)	(percentage change)		
Non-energy				
Agriculture and fishing	8.2	2.3	8.8	– 8.5
Mining	5.2	63.5	35.7	– 5.1
Forestry	0.3	14.1	– 17.9	– 48.4
Manufacturing	18.5	31.4	26.2	– 15.8
Construction	2.3	12.5	17.7	– 3.3
Total goods-producing sector	34.0	23.8	21.6	– 12.3
Transportation, storage and communication	12.6	15.5	19.5	0.5
Trade	3.2	9.8	15.6	– 13.2
Finance, insurance and real estate	7.3	11.9	22.0	– 10.2
Community, business and personal services	7.5	14.3	7.9	– 10.0
Total services sector	30.6	13.6	16.5	– 6.4
Total non-energy	65.1	18.9	19.2	– 9.6
Energy				
Electric power	15.8	– 4.0	19.8	17.0
Petroleum and gas extraction	12.3	44.9	12.4	– 5.5
Pipelines	3.7	163.2	190.0	15.7
Gas distribution	1.0	47.2	5.8	26.3
Petroleum and coal products	2.1	18.5	160.2	31.8
Total energy	34.9	19.5	26.9	8.7
Total	100.0	19.0	21.5	– 4.0

[1] Excludes investment for housing, institutions and for public administration.
Source: Statistics Canada, *Private and Public Investment in Canada*, annual, cat. 61-205

Chart 3.2

Real Business Inventories and Sales (1)



(1) Sales include consumer expenditure on goods, business investment (including residential construction), exports of goods, government non-wage current expenditure, and government investment.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001 and Department of Finance.

substantially, particularly in the wood, transportation equipment, and non-metallic mineral product industries. In the services sector, the trade industries recorded the largest decline in capital outlays, following a year of strong growth in 1981.

Capital outlays in the energy sector continued to provide a net stimulus to the economy in 1982, though the increase of 8.7 per cent was less than in 1980 and 1981. Energy investment as a share of GNE reached its highest level in the postwar period. Capital expenditures by the petroleum and coal products and gas distribution industries again increased particularly rapidly following strong growth in 1980 and 1981. On the other hand, the current world oil glut, the uncertain outlook for world oil prices, and greater uncertainty regarding the viability of energy megaprojects caused investment outlays in the petroleum and gas extraction industry to decline in 1982 following a decade of strong growth.

Real investment in non-residential construction, which had been a source of strength throughout 1981, declined 6.0 per cent in 1982 (see Table 1.1). Energy investment, which accounts for over half of total non-residential construction outlays in real terms, again provided much of the strength. Real investment in machinery and equipment, which can be adjusted more readily to changes in economic activity, began declining in the last half of 1981 and fell a further 16.4 per cent in 1982. The non-energy goods sector, which accounts for approximately 50 per cent of the investment in machinery and equipment, was the major contributor to this weakness.

Inventories

Real non-farm business inventories declined an unprecedented $3.2 billion (1971 dollars) in 1982. The reduction in inventory levels accounted for about half of the decline in real GNE in 1982.

Inventory holdings are managed by firms in relation to sales. The speed of adjustment of inventories is normally less than that of sales during the early phase of a recession; hence an increase in the inventory-to-sales ratio is to be expected during this period. This was the case during the early part of the 1981-1982 recession. However, because of the restraining influence of historically high interest rates, which contributed to a significant rationalization of inventory stocks, the peak inventory-to-sales ratio (adjusted for trend) attained in 1982 was lower than during the recession in 1980 (see Chart 3.2). In the last three quarters of 1982, inventories declined at a more rapid pace than GNE and the inventory-to-sales ratio fell to a level below the long-term trend relationship by the end of the year.

In terms of sectoral inventory drawdowns, the retail sector was the first to reduce its stocks. Reductions of auto stocks were particularly large. Inventory drawdowns in the manufacturing sector were led by lower raw materials stocks. This sector eventually reduced its stocks at the finished goods stage of production but this was more difficult, as retailers and wholesalers were also reducing their stocks significantly. During the 1981-1982 recession, inventory stocks fell 18 per cent in the retail sector, 15 per cent in the wholesale sector and 11 per cent in the manufacturing sector. The retail and wholesale sectors also experienced a much greater drop in their inventory-to-sales ratios.

Corporate Profits

Corporate profits before taxes fell 33.3 per cent on a national accounts basis in 1982, following a decline of 10.5 per cent in 1981. The unprecedented downturn in profits, which began in the second quarter of 1981, lasted five consecutive quarters. Profits started to turn up in the third quarter of 1982. Profits as a share of net national income fell precipitously from 15.9 per cent in 1980 to 12.8 per cent in 1981 and to a postwar record low of 8.2 per cent in 1982.

Profit/sales ratios of Canadian industries, including both large and small firms, declined from a peak of 8.5 per cent in the last quarter of 1979 to 3.7 per cent in 1982. Over the same period, the profit margin of large industries fell from 10.4 per cent to 4.4 per cent (Table 3.7), reaching a low of 4.1 per cent in the second quarter of 1982. The after-tax rate of return on equity of large firms declined sharply, falling from a peak of 4.6 per cent in the third quarter of 1979 to 1.4 per cent in 1982.

The most rapidly increasing component of corporate expenses in 1982 was interest costs. The interest burden for large industrial corporations (defined as the ratio of interest expenses to net income adjusted to include interest expenses)

Table 3.7
Selected Financial Ratios[1] of Large Industrial Corporations

	1977	1978	1979	1980	1981	1982
			(ratio)			
Internal funds[2]/capital outlays	0.84	0.98	0.84	0.74	0.46	0.40
Current assets/current liabilities	1.64	1.65	1.60	1.59	1.51	1.39
Current assets minus inventories/current liabilities	0.90	0.93	0.91	0.88	0.83	0.75
Total debt/equity	1.23	1.23	1.28	1.25	1.37	1.53
			(per cent)			
Profit margin on sales	7.5	7.7	9.8	9.9	8.2	4.4
After-tax return on equity	3.0	3.2	4.4	4.1	3.1	1.4
Interest burden	30.4	28.5	24.8	27.5	40.2	64.9

[1] Ratios in the upper part of the table are calculated for the third quarter of each year; those in the lower part of the table are averages for the first three quarters of each year.

[2] Internal funds are equal to the sum of net income after taxes and dividends (i.e. retained earnings), plus depreciation and depletion allowances.

Source: Statistics Canada, *Industrial Corporation Financial Statistics*, quarterly, cat. 61-003 and Department of Finance.

increased to 64.9 per cent in 1982 from a low of 24.0 per cent in the fourth quarter of 1979 as a result of both higher interest costs and lower net income. Interest payments were a volatile component because of rapid changes in rates and the increased amount of floating-rate debt carried by firms. The increase in material and labour costs slowed significantly in 1982 from that in 1981, reflecting price and wage cost developments and cost-cutting operations by corporate management.

Profit margins were most severely squeezed in the mining and manufacturing sectors. The most precipitous decline in profits occurred in the metal mining industries which experienced a net income loss in 1982. The industries in the manufacturing sector whose margins were most severely affected were wood, paper and allied, primary metal and transportation equipment. The wood industry sustained a net income loss for five consecutive quarters commencing in the third quarter of 1981. Profit margins in the services-producing sector, although generally less sensitive to cyclical conditions, also underwent a steady erosion in the last two years. Most of the declines were concentrated in the wholesale and particularly in the retail trade sectors. Other service industries such as communication and community, business and personal services were much less affected.

Corporate Liquidity

The combination of greatly reduced profits and growing corporate debt led to a further marked decline in the traditional indicators of financial strength of the corporate sector in the first three quarters of 1982, following a significant deterioration in 1981. In 1982, there was a further reduction in corporate internal financing of new fixed investment as the ratio of internal funds to capital outlays fell for the third consecutive year to a new low, well below half that experienced over the 1977-1979 period (Table 3.7). Concomitantly, the sharp decline in corporate earnings, coupled with the difficulty of raising funds in depressed equity markets, forced corporations to increase further their dependence on external debt to meet their financial requirements. The debt-to-equity ratio of industrial corporations rose sharply in the last half of 1981 and again in the first half of 1982 to an historical high of 1.53 in the second quarter of 1982. Although the debt-to-equity ratio levelled off in the second quarter of 1982, it stood significantly above the average level of 1.25 recorded over the 1977-1980 period.

Table 3.8
Sources and Uses of Funds of Large Industrial Corporations For All Industries

	1978	1979	1980	1981	1982[1]
	(billions of dollars)				
Sources					
Income before taxes	14.9	22.6	27.1	26.0	15.2
Net extraordinary income	0.2	0.0	0.8	0.6	0.0
Depreciation allowances	5.9	6.7	7.7	8.8	10.0
Share capital	2.7	4.8	6.2	4.1	4.2
Long-term debt	5.7	8.9	9.8	19.7	17.6
Miscellaneous adjustments and residual[2]	0.3	0.0	1.1	1.3	– 2.0
Total	29.3	42.9	50.6	60.4	44.9
Uses					
Income and other taxes	5.7	8.6	10.7	11.3	7.6
Dividends	3.7	5.5	6.4	7.5	6.8
Capital investment	13.7	18.2	24.1	29.0	30.6
Intercorporate investment	1.7	3.8	6.4	10.8	3.2
Other long-term assets[3]	0.8	1.8	1.1	0.8	3.3
Working capital[4]	3.5	5.0	4.2	0.9	– 6.6
Total	29.3	42.9	50.6	60.4	44.9

(1) Calculations are based on four quarters ending in the third quarter of the year indicated.
(2) Includes contributed surplus, excess of appraised value of fixed assets over (depreciated) cost and retained earnings prior period adjustment, transfers, other adjustments, and retained earnings for corporations employing the equity method.
(3) Includes long-term investments, other assets and the difference between capital expenditures and depreciation, depletion and change in fixed assets.
(4) Working capital is a net concept defined as current assets minus current liabilities. Short-term debt is a component of current liabilities and thus does not appear separately as a source of funds.
Source: Statistics Canada, *Industrial Corporation Financial Statistics*, quarterly, cat. 61-003.

The downward trend in the various measures of corporate liquidity, which began in 1981, continued in 1982. The working capital ratio, indicating the extent to which current liabilities are backed by liquid assets, fell to an historical low of 1.39 in the third quarter of 1982 from a peak of 1.65 in 1978. The ratio of current assets less inventories to current liabilities, known as the "quick ratio", fell from 0.93 in the third quarter of 1978 to 0.75 in the third quarter of 1982. At the same time, much of the longer-term debt became subject to floating interest rates and shorter maturities.

Sources and Uses of Funds[1]

The total flow of funds in the large industrial corporate sector declined to $44.9 billion in the four quarters ending in the third quarter of 1982 from $60.4 billion in the preceding four quarters (Table 3.8). The reduced flow reflected mainly the

(1) The following discussion differs from that in Chapter 8 (Tables 8.2 and 8.4) in the following respects. First, data in this chapter are based on *Industrial Corporations Financial Statistics* while those in Chapter 8 are based on *Financial Flow Accounts* and the Bank of Canada *Review*. The universe covered by these data sources is somewhat different. Second, the analysis here covers only industrial corporations while the Chapter 8 data are more comprehensive and encompass all sectors of the economy. Third, data in this chapter refer only to the first three quarters of the year compared to full year data in Chapter 8. Finally, these different sources of data define various financial concepts, particularly short-term debt, somewhat differently.

decline in corporate earnings and less use of long-term debt.

The largest decline among sources of funds occurred in income before taxes which fell from $26.0 billion in 1981 to $15.2 billion in 1982. As a result, income before taxes was surpassed by long-term debt as the principal source of funds. Depreciation allowances continued to grow, reflecting the increased stock of capital. Share capital, which had declined sharply as a proportion of financing in 1981, increased in 1982, reflecting some improvement in the stock market after mid-year. Following the pattern of 1981, however, a large proportion of the share capital raised was in the form of retractable preferred shares, a type of financing which is more related to debt than to equity capital.

The end of the investment boom of the 1978-1981 period is evident in only a marginal increase in nominal dollar funds deployed for capital investment for the year ending in the third quarter of 1982. Intercorporate investment declined dramatically in 1982, following a flurry of take-over activity in 1981. The decline in corporate income led to a fall in corporate taxes. A notable development in 1982 was a reduction in dividends paid, an indication of the extent of the deterioration in corporate earnings. Dividends usually trend upwards, reflecting a general corporate policy of targeting dividends to permanent rather than temporary swings in earnings. Finally, a decline of $6.6 billion in working capital marked the increasing strain in the cash flow position of the corporate sector, as the growth rate of current assets was outpaced by an increase in short-term debt.

4. The Labour Market

The decline in economic activity resulted in substantial losses in employment throughout 1982, increasing the average unemployment rate to 11.0 per cent from 7.6 per cent in 1981. The increase in the unemployment rate was dampened to a certain extent by recession-related declines in productivity and a slowing in the growth of the labour force. Signs were emerging of year-end, however, that the employment situation was improving after continuous deterioration since the beginning of the recession in the third quarter of 1981. Table 4.1 summarizes major changes in labour market conditions in the last decade.

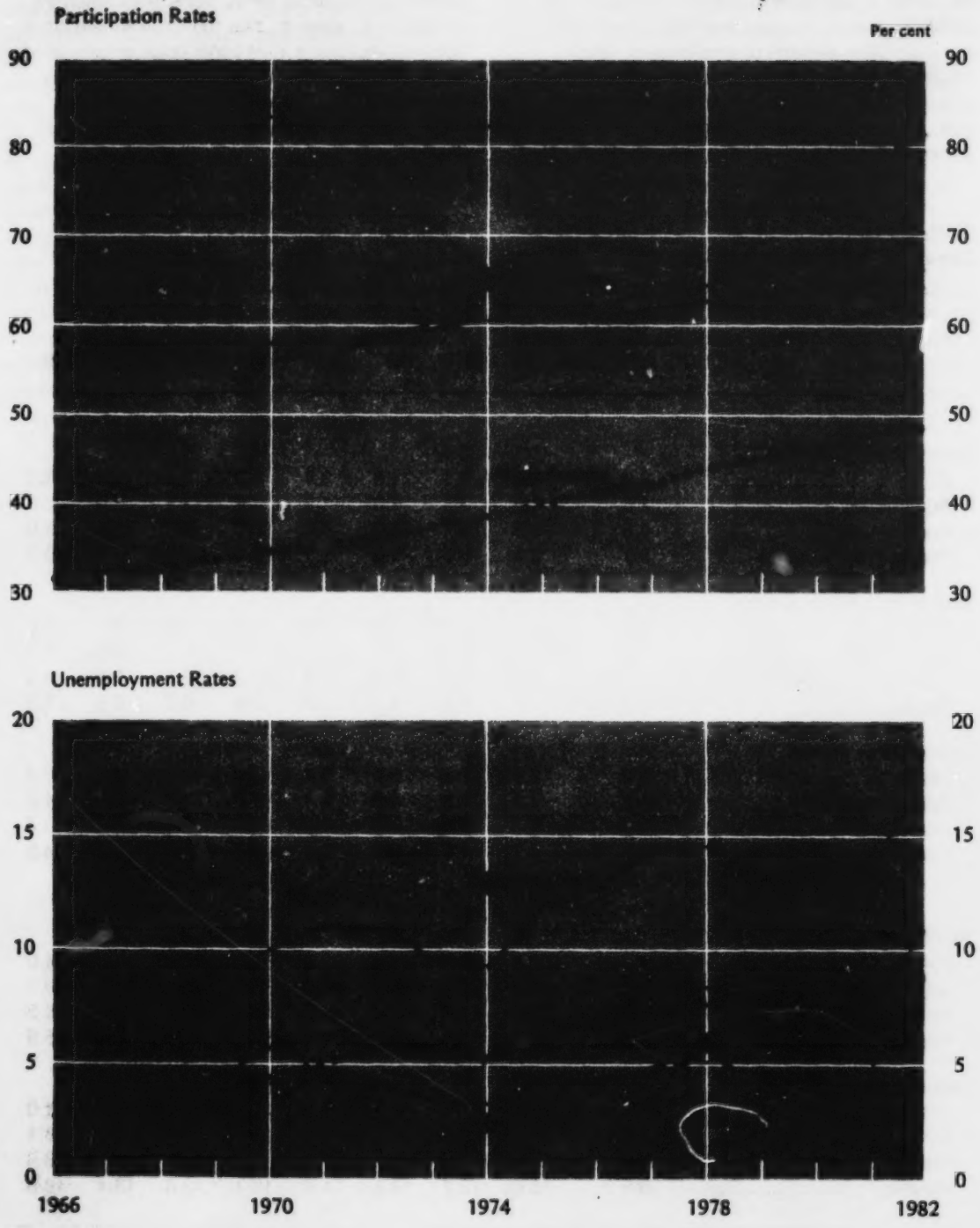
Table 4.1
Labour Force Developments

	Average								
	1970-1975	1976-1980	1976	1977	1978	1979	1980	1981	1982
					(percentage change)				
Employment growth									
Total	2.9	2.8	2.1	1.8	3.4	4.0	2.8	2.6	−3.3
Adult males	1.6	1.6	1.3	1.0	1.7	2.6	1.5	1.9	−2.3
Adult females	4.8	5.3	5.1	4.0	6.6	5.0	6.0	5.9	1.0
Youths (15-24 years)	3.7	2.4	0.7	1.0	3.1	5.6	1.6	0.3	−10.2
Source population growth									
Total	2.4	2.0	2.3	2.1	1.9	1.8	1.8	1.6	1.5
Adult males	2.2	2.1	2.3	2.1	1.9	1.9	2.2	2.3	2.4
Adult females	2.4	2.4	2.5	2.4	2.3	2.3	2.4	2.4	2.5
Youths	2.7	1.3	2.3	1.7	1.3	0.8	0.2	−0.5	−1.3
Labour force growth									
Total	3.3	2.9	2.3	2.9	3.7	3.0	2.8	2.7	0.4
Adult males	1.8	1.7	1.3	1.8	2.1	1.9	1.7	2.0	1.2
Adult females	5.3	5.3	5.3	4.8	7.0	4.2	5.5	6.1	3.4
Youths	4.6	2.7	1.5	3.0	3.2	3.7	1.9	0.4	−4.2
					(per cent)				
Participation rates									
Total	59.3	62.5	61.1	61.5	62.6	63.3	64.0	64.7	64.0
Adult males	82.5	80.9	81.1	80.9	80.9	80.9	80.5	80.3	79.3
Adult females	37.0	43.6	41.1	42.1	44.0	44.8	46.2	47.9	48.3
Youths	59.4	64.7	62.4	63.2	64.4	66.2	67.3	67.9	65.9
Unemployment rates									
Total	6.0	7.7	7.1	8.1	8.4	7.5	7.5	7.6	11.0
Adult males	3.9	4.7	4.2	4.9	5.2	4.6	4.8	4.9	8.1
Adult females	5.4	7.0	6.6	7.4	7.7	7.0	6.5	6.7	8.8
Youths	10.5	13.6	12.7	14.5	14.6	13.1	13.3	13.4	18.8

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

Chart 4.1

Participation and Unemployment Rates



Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

Labour Supply

Changes in the labour force may be broken down into two factors: growth of the working-age population and changes in its rate of participation in the labour market. The first factor has been relatively stable in recent years but the overall participation rate climbed significantly during the 1970 to 1981 period. This overall upward trend in the participation rate, however, masks a downward trend in the participation rate of adult males and upward trends in participation rates of adult females and youths. These trends led to significant increases in the proportion of adult females and youths in the labour force.

Because of the dominance of cyclical factors in 1982, some of these trends were reversed. The overall participation rate fell for the first time in a decade, contributing a 1.1 – percentage – point reduction to the overall growth rate of the labour force (Table 4.2). The labour force increased only 0.4 per cent in 1982, as the source population grew 1.5 per cent. If the past trend in the participation rate had continued, the labour force might have grown by 2.7 per cent, the same as in 1981. The participation rate declined because the discouraged worker effect – people leaving the labour force because they could not find jobs – more than offset the additional worker effect – people entering the labour force because of increased unemployment in the family. The participation rate of youths fell 2 percentage points in 1982 after increasing almost 10 percentage points in the last decade, reducing the youth labour force by 4.2 per cent in 1982 compared to an increase of 0.4 per cent in 1981. Although the participation rate of males declined and that of females increased, as in the last 10 years, recession-related effects significantly slowed the growth of the labour force of these two groups. The increase in the labour force of adult males was 1.2 per cent and that of adult females 3.4 per cent in 1982, compared to increases of 2.0 per cent and 6.1 per cent respectively in 1981.

As indicated in Table 4.3, the number of discouraged workers appears to have increased significantly in 1982 with the highest rate of increase occurring for adult males. Youths remained the largest group of discouraged workers. There was also a large increase in the number of adult female discouraged workers. However, there are indications that for this last group, the additional worker effect was also quite strong. For example, the participation rate of adult married females with unemployed husbands increased significantly in 1982 to 59.4 per cent, from 56.1 per cent in August 1981, overtaking the participation rate of females with employed husbands at 58.4 per cent in 1982 compared to 57.1 per cent in August 1981.

Table 4.2
Factors Contributing to Labour Force Growth, 1982

	Total	Adult males	Adult females	Youths
Percentage point contribution from population growth	1.5	2.4	2.5	– 1.3
Percentage point contribution from change in participation	– 1.1	– 1.2	0.9	– 2.9
Percentage change in labour force, 1982	0.4	1.2	3.4	– 4.2
(Potential percentage change in the labour force if participation had followed average percentage change of the last 5 years)	(2.7)	(2.2)	(5.5)	(– 0.2)

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

Table 4.3
Discouraged Workers – Proxy Indicators[1]

	1976	1977	1978	1979	1980	1981	1982
Total							
Thousands	33.0	45.0	52.0	49.0	53.0	57.0	110.0
Percentage change	—	36.4	15.6	– 5.8	8.2	7.5	93.0
Adult males							
Thousands	10.0	12.0	14.0	14.0	16.0	16.0	33.0
Percentage change	—	20.0	16.7	0.0	14.3	0.0	106.3
Share of total	30.3	26.7	26.9	28.6	30.2	28.1	30.0
Adult females							
Thousands	10.0	14.0	18.0	15.0	17.0	18.0	33.0
Percentage change	—	40.0	28.6	– 16.7	13.3	5.9	83.3
Share of total	30.3	31.1	34.6	30.6	32.1	31.6	30.0
Youths							
Thousands	13.0	19.0	21.0	20.0	20.0	23.0	45.0
Percentage change	—	46.2	10.5	– 4.8	0.0	15.0	95.7
Share of total	39.4	42.2	40.4	40.8	37.7	40.4	40.9

[1] The actual number of discouraged workers is difficult to measure. These Statistics Canada figures represent "those who are not in the labour force because they believe no work is available", and are used here as a proxy for discouraged workers. Statistics Canada warns that it is impossible to accurately measure discouragement, and those represented in this table could reflect those with a low intensity of job search and inaccuracies due to the fact that the Labour Force Survey interviews only one member of each household regarding other members. Because of the inability to accurately measure discouraged workers, their totals are not computed into the official unemployment rate in any industrialized nation.

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

Labour Demand

In the face of the sharp decline in output in 1982, average annual employment declined for the first time in Canada. Employment fell 3.3 per cent in 1982, and 5.4 per cent from the peak in August 1981 to the trough of November 1982. However, a reversal occurred in December 1982 as employment increased 0.2 per cent. For the year as a whole, employment declined 359,000 in 1982, compared to a gain of 278,000 jobs in 1981. From August 1981 to the end of 1982, employment fell 578,000.

Employment in the goods-producing industries fell 9.0 per cent, accounting for 89.4 per cent of the total 1982 decline in employment, after making an above-average contribution to job creation in 1981. On an industrial basis, manufacturing accounted for 54.0 per cent, construction 15.3 per cent and non-agricultural primary industries 14.8 per cent of the decline in employment. As can be seen in Table 4.4, the patterns of employment change in the goods-producing industries in 1982 generally reflected the relative declines in output which occurred. In agriculture, employment fell while output increased. In the non-agricultural primary industries and construction, the decline in employment was larger than the decline in output. This rationalization of employment could explain the relative stabilization of employment in these industries in the latter part of 1982 when employment in other industries was still declining. Employment in manufacturing fell less steeply than output.

Employment in service industries fell 0.5 per cent to account for the remaining 10.6-per-cent decline in total employment in 1982. In the service sector, not only was output less sensitive to

Table 4.4
Measures of Employment and Output in 1982

	Change in employment	Employment			Output[1]
		Full-time	Part-time	Total	
	(thousands)	(percentage change)			
Canada	– 359	– 4.3	3.0	– 3.3	– 5.0
Adult males	– 118	– 2.7	13.0	– 2.3	
Adult females	32	0.7	2.2	1.0	
Youths	– 274	– 14.1	2.2	– 10.2	
Agriculture	– 19	– 3.3	– 6.8	– 3.9	2.6
Other primary	– 53	– 17.2	n.a.	– 16.9	– 12.3
Manufacturing	– 194	– 9.5	0.0	– 9.1	– 12.3
Construction	– 55	– 9.4	5.3	– 8.5	– 8.3
Trade	– 36	– 3.5	3.6	– 1.9	– 8.8
Transportation, communication, and utilities	– 29	– 3.5	4.3	– 3.1	– 3.0
Finance, insurance, and real estate	9	1.3	1.8	1.5	0.1
Community, business, and personal services	17	– 0.5	4.2	0.5	– 0.8
Public administration	0	0.0	0.0	0.0	3.2
Goods-producing	– 321	– 9.1	– 2.0	– 9.0	– 9.4
Services-producing	– 39	– 1.4	3.8	– 0.5	– 2.3

[1] Real domestic product.
Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001; and *Indexes of Real Domestic Product by Industry*, monthly, cat. 61-005.

the recession, as is traditionally the case, but also employment was less sensitive to output losses which did occur. In 1982, the transportation, communication and utilities industries suffered the largest employment declines among service industries. Employment in the trade industry also declined, affected by low business and personal expenditures. Although other services-producing sectors suffered some output losses, employment increased over-all. The degree of implied under-utilization of employees in the 1981-1982 recession, especially in the goods-producing sector, was less than in previous recessions. In 1982, high interest rates and hence inventory costs, the severity of the squeeze on profits and the length of the recession apparently led firms to minimize the degree of cyclical under-utilization of the work force. Thus, rather large declines in employment tended to accompany the large declines in output.

In past recessions, the services sector provided strength for total employment, as indicated in Table 4.5. In the 1974-1975 recession, goods-producing employment declined 3.7 per cent, while services-producing employment grew 3.5 per cent and in absolute terms more than offset the decline in goods-producing employment. During 1979-1980, service employment again increased to more than offset the decline in goods-producing employment. In the 1981-1982 recession, however, the decline in labour demand was more broadly based, affecting both sectors.

Table 4.5
Cumulative Change in Employment and Output in the 1974-1975, 1979-1980 and 1981-1982 Recessions

	June 1974-March 1975	November 1979-June 1980	August 1981-December 1982
	(cumulative change in thousands)		
Employment			
Total	98	60	– 578
Adult male	22	38	– 219
Adult female	58	22	16
Youths	18	0	– 375
Agriculture	– 12	– 11	– 30
Other primary	1	8	– 75
Manufacturing	– 121	– 4	– 307
Construction	11	– 31	– 91
Transportation, communication and utilities	24	9	– 23
Trade	45	– 20	– 87
Finance, insurance and real estate	0	59	– 24
Community, business and personal services	126	22	62
Public administration	8	40	9
Goods-producing	– 121	– 38	– 503
Services-producing	203	110	– 63

	Employment	Output[1]	Employment	Output[1]	Employment	Output[1]
	(percentage change)					
Total	1.1	– 1.4	0.6	– 0.9	– 5.3	– 6.3
Adult male	0.5		0.8		– 4.3	
Adult female	2.6		0.8		0.5	
Youths	0.8		0.0		– 13.9	
Agriculture	– 2.5	13.2	– 2.3	6.2	– 6.1	5.5
Other primary	0.5	– 10.7	2.8	– 2.0	– 23.1	– 11.6
Manufacturing	– 6.2	– 7.4	– 0.2	– 5.5	– 14.4	– 17.1
Construction	1.9	– 0.3	– 4.8	– 3.8	– 13.9	– 7.4
Transportation, communication and utilities	3.1	– 1.0	1.0	0.5	– 2.5	– 5.1
Trade	2.9	– 2.5	– 1.1	– 0.2	– 4.6	– 9.0
Finance, insurance and real estate	0.0	2.8	10.7	2.0	– 4.0	0.3
Community, business and personal services	5.3	2.6	0.7	0.3	1.9	– 2.1
Public administration	1.3	2.8	5.8	2.3	1.2	3.6
Goods-producing	– 3.7	– 4.9	– 1.1	– 3.7	– 14.0	– 12.1
Services-producing	3.5	0.9	1.6	0.8	– 0.9	– 2.9

Note: Totals may not add as this table uses seasonally-adjusted data. Totals are seasonally-adjusted by Statistics Canada on a male/female basis, whereas industries are seasonally-adjusted separately.
[1] Real domestic product.
Source: Statistics Canada, *The Labour Force*, monthly cat. 71-001.

Youths accounted for 77 per cent of the total decline in employment in 1982. Youth employment, which was also weak in 1981, declined a large 10.2 per cent in 1982, indicating that those with the least job experience and seniority were the first to be affected by declining output. Adult males accounted for 33 per cent of the decline in employment. After 1.9-per-cent growth in 1981, adult male employment declined 2.3 per cent in 1982. Adult female employment increased in 1982, although not by enough to absorb the 3.4-per-cent increase in the adult female labour force. Employment for this group increased only 1.0 per cent, after 5.9-per-cent growth in 1981. Adult females experienced growth in both full- and part-time jobs, which likely reflects their predominance in the more cyclically stable industries.

Part-time Employment

As can be seen in Table 4.6, part-time employment grew strongly over the 1975-1981 period. Growth in full-time employment during this period averaged 2.2 per cent annually while part-time employment grew at an annual rate of 6.7 per cent. Although part-time employment accounted for only between 10 and 13 per cent of total employment, it contributed about 0.9 percentage points to the average 2.8-per-cent annual growth rate of total employment. Over 85 per cent of all part-time jobs were in service industries. Adult females and youths almost equally shared about 92 per cent of part-time employment, and adult males accounted for the remaining 8 per cent.

In 1982, the 3.0-per-cent growth of part-time employment was less than half of the average rate during the 1975-1981 period. The service industries accounted for all of the increase in part-time employment as goods-producing industries experienced losses in both part- and full-time jobs. Within services, part-time employment grew most rapidly in the transportation, communication and utilities industries, the community business and personal services sector, and trade (Table 4.4).

Two major reasons account for the relatively smaller impact of the recession on part-time employment in 1982. First, output weakness was concentrated in the goods-producing sector, which accounts for a small proportion of total part-time jobs. Second, firms facing weak demand in 1982 appear to have substituted part-time for full-time jobs. Table 4.6 indicates that the most outstanding characteristic of part-time employment in 1982 was the substantial increase in the number of people who were employed part-time because they could not find full-time work. Part-time employment for reasons other than the non-availability of full-time work actually declined in 1982.

Canada-United States Comparison of Major Labour Market Developments

The labour markets in both Canada and the U.S. have been extraordinarily weak since the summer of 1981. In both countries, employment declined, unemployment increased, and unemployment rates reached record levels. However, despite these common trends, the differences in the pattern of output in the two countries contributed to differences in the timing and the depth of respective labour market responses.

Table 4.7 provides cumulative changes in major output and labour market indicators for the 12-month and 18-month periods ending December 1982. Over both these periods, Canada experienced a larger decline in employment and larger increases in unemployment and the unemployment rate than did the U.S. The 1981-1982 recession was the first during the post war period in which employment declined relatively more in Canada than in the U.S. This was due to the significantly larger decline in Canada's output, since total employment appears to have been slightly more sensitive to observed output declines in the U.S. Industrial production in Canada declined 11.2 per cent during 1982 compared to a 5.9-per-cent decline in the U.S. Another significant difference to note is that most of the employment losses and half of the output losses in the U.S. during the current recession occurred prior to the beginning of 1982, whereas in Canada, employment and output losses were more concentrated in 1982.

In Canada, over 80 per cent of the increase in unemployment in 1982 was due to declines in employment. In the U.S., on the other hand, strong labour force growth accounted for over 75 per cent of the observed increase in unemployment during 1982. Even over the extended period July 1981 to December 1982, labour force growth accounted for more than one-half of the

Table 4.6
Full- and Part-time Employment in Canada During 1975-1982

	Total employment		Full-time			Part-time		
	(thousands)	(percentage change)	(thousands)	(percentage change)	(share of total)	(thousands)	(percentage change)	(share of total)
1975	9,284	—	8,296	—	89.4	988	—	10.6
1976	9,479	2.1	8,432	1.6	89.0	1,047	6.0	11.0
1977	9,648	1.8	8,519	1.0	88.3	1,129	7.8	11.7
1978	9,972	3.4	8,764	2.9	87.9	1,208	7.0	12.1
1979	10,369	4.0	9,068	3.5	87.5	1,301	7.7	12.5
1980	10,655	2.8	9,268	2.2	87.0	1,388	6.7	13.0
1981	10,933	2.6	9,456	2.0	86.5	1,477	6.5	13.5
1982	10,574	– 3.3	9,052	– 4.3	85.6	1,522	3.0	14.4

Reasons for Part-time Employment[1]

	Could not find full-time work		Family responsibilities		Schooling		Did not want full-time work	
	(percentage change)	(share of total)	(percentage change)	(share of total)	(percentage change)	(share of total)	(percentage change)	(share of total)
1975	—	11.0	—	12.1	—	34.8	—	36.8
1976	15.6	12.0	10.8	12.7	2.3	33.6	5.8	36.8
1977	28.6	14.3	7.5	12.7	2.3	31.9	5.2	35.9
1978	22.2	16.4	2.8	12.2	0.3	29.9	8.1	36.3
1979	12.6	17.1	1.4	11.5	10.8	30.7	6.4	35.8
1980	9.9	17.7	18.1	12.7	4.3	30.1	3.6	34.8
1981	9.0	18.1	2.8	12.3	6.0	29.9	8.5	35.5
1982	40.8	24.7	– 15.5	10.1	– 6.1	27.3	– 1.9	33.8

[1] Shares do not add to 100 due to the exclusion of a small category called "other reasons".
Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

overall increase in unemployment in the U.S. compared to less than 20 per cent in Canada. Somewhat unexpectedly, the overall participation rate increased in the U.S. in 1982 at about the same pace as in the previous two years. As previously discussed, the overall participation rate declined in Canada in 1982.

The unemployment rate was 7.6 per cent in both Canada and the U.S. in 1981. In 1982, the unemployment rate rose to 11.0 per cent in Canada and to 9.7 per cent in the U.S.

Table 4.7
Major Labour Market and Output Indicators in Canada and the U.S. during 1982 and since July 1981

	December 1981 to December 1982		July 1981 to December 1982	
	Canada	U.S.	Canada	U.S.
Cumulative changes in:				
Industrial production[1] (percentage change)	– 11.2	– 5.9	– 18.1	– 12.3
Real GNE[2]	– 5.7	– 1.1	– 7.5	– 1.9
Employment[3]				
(level)	– 419,000	– 600,000	– 549,000	– 1,700,000
(percentage change)	– 3.4	– 0.6	– 5.1	– 1.6
GNE/employee (percentage change)	– 1.5	– 0.1	– 1.7	– 0.2
Labour force				
(level)	87,000	2,000,000	130,000	2,500,000
(percentage change)	0.7	1.8	1.1	2.3
Unemployment				
(level)	506,000	2,600,000	679,000	4,200,000
(percentage change)	49.3	28.2	79.5	53.2
Share due to employment decline	82.8	23.1	80.9	40.5
Share due to labour force growth	17.2	76.9	19.1	59.5
Unemployment rate				
Beginning of period	8.5	8.6	7.2	7.2
End of period	12.8	10.8	12.8	10.8
(percentage point increase)	4.3	2.2	5.6	3.6

(1) Industrial production is the only output measure available on a monthly basis in both countries.
(2) From first quarter 1982 to fourth quarter 1982 and second quarter 1981 to fourth quarter 1982. GNE/employee measures are calculated using comparable quarterly employment figures.
(3) The job creation figures here are different from those in Table 4.4 because those figures are calculated as the difference between average employment in 1982 and 1981.

Source: Statistics Canada, *The Labour Force*, monthly cat. 71-001; and *Indexes of Real Domestic Product by Industry*, monthly, cat. 61-005; U.S. Department of Labour, *Employment and Earnings* and Board of Governors of the Federal Reserve System, *Federal Reserve Bulletin*.

5. Sectoral and Regional Developments

The economic recession that began in the second half of 1981 affected all major sectors and regions in 1982. Output increased in fishing and public administration, as well as in agriculture, especially in Manitoba and Saskatchewan because of record or near-record grain crops. In all other sectors output fell, particularly in forestry, mining, manufacturing, construction and trade, or increased only slightly. The overall decline in output was shared by all regions and provinces. Average employment in 1982 fell in all provinces except Saskatchewan. Particularly sharp decreases in employment occurred in the goods-producing sectors; employment in the service sectors also declined as modest increases in finance, insurance and real estate and in community, business and personal services were more than offset by declines in other service sectors.

Sectoral Developments

Agriculture

Farm cash receipts decreased slightly in 1982, reflecting a significant decline in grain prices due to the high level of world reserves at the start of the season, which was partly offset by higher prices for livestock and products. The increase in farm production in 1982 was due almost wholly to record grain harvests and high oil-seed production in Manitoba and Saskatchewan as a result of increased acreage seeded and unprecedented yields. Frost in late August in the Prairie provinces did not greatly affect grain crops but did severely reduce the quantity and quality of harvested canola; in Ontario, the frost severely affected the tobacco harvest. Total Canadian fruit production was greater in 1982 than in 1981 and the principal vegetable crops also were larger. Slaughtering of Canadian cattle increased moderately in 1982, although the average slaughter weight declined. Domestic hog production fell slightly, whereas exports to Japan increased. Employment in agriculture fell in 1982, especially in the first part of the year, with the biggest declines being in Ontario and the Prairies.

Fishing

Although continuing to benefit from increased groundfish stocks because of the 200-mile limit, the fishing industry in 1982 again experienced economic and structural problems. The world recession curtailed demand, high interest rates added to costs, and fishing and processing capacity remained high. Nevertheless, according to preliminary data for 1982, output rose on the Atlantic coast as the value and volume of landings increased due mainly to a larger cod harvest which benefited from both higher quotas and a more successful trap fishery. One innovative development was the use of enterprise quotas to help reduce highly volatile seasonal peaks in harvesting and processing. However, the volume of scallops landed declined sharply, partly because of heavy exploitation in 1981. On the Pacific coast, the value and volume of fish landed decreased mainly because of a drop in the pink salmon catch, a reflection of an off-cycle year and the effects of flooding in 1980 on egg mortality. The harvest of other species of salmon, especially the relatively higher-priced sockeye salmon, increased.

Forestry

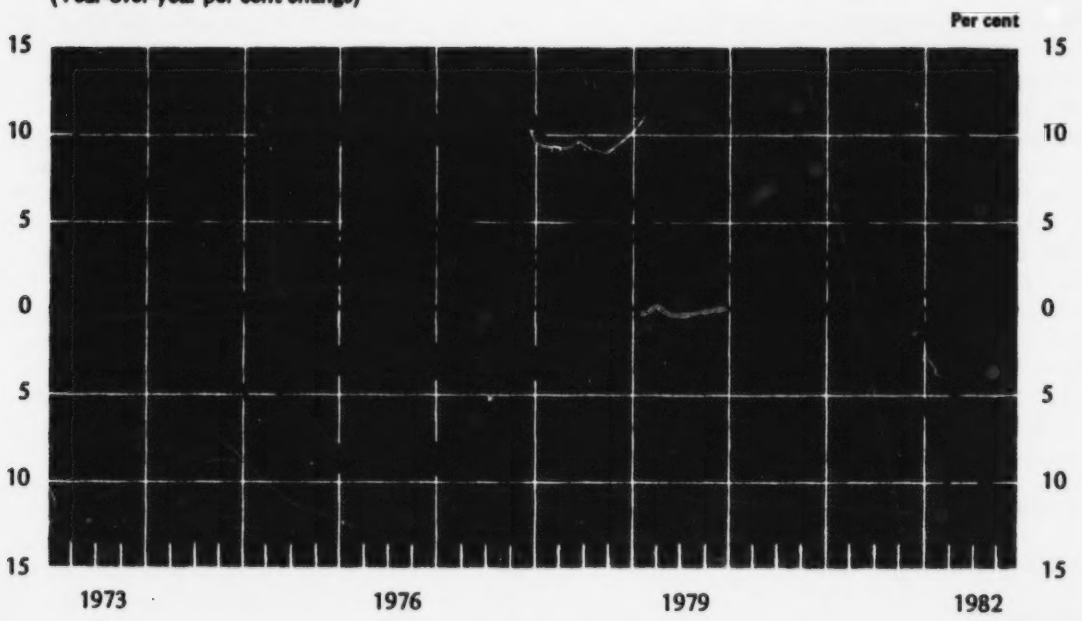
Production in the forestry sector fell sharply in 1982, after decreasing in 1981 and increasing only slowly in the preceding two years. Forestry output in mid-1982 was the lowest since late 1975 when both recession and long labour disputes affected forestry-related industries. Prices of lumber, pulp and paper fell in 1982. There were also numerous layoffs in the forestry sector.

The production of lumber fell again in 1982, following declines in the previous two years and particularly in the second half of 1981 when long labour disputes occurred on the West coast. The increase in U.S. demand throughout 1982 due to the rising number of housing starts, and in domestic demand in the latter part of the year when single detached housing starts rose, stimulated lumber production during the year.

Pulpwood production dropped in 1982, following a moderate increase in 1981. According to data from the Canadian Pulp and Paper Association, wood pulp production decreased sharply as exports to all major markets dropped, except to Japan where demand was slightly lower following a sharp decline in 1981. The production of paper

Chart 5.1

Gross Domestic Product in Constant (1971) Prices
(Year-over-year per cent change)



Source: Statistics Canada, *Gross Domestic Product by Industry*, monthly, cat. 61-005.

and paperboard also decreased in 1982, particularly in the tissue and special papers, container and boxboard, and newsprint industries. Newsprint exports declined sharply to almost all major markets, reflecting the impact of the recession, additional capacity in the United States and increased foreign competition due to the devaluation of the Swedish krona.

Mines

Mining, one of the sectors of the Canadian economy most affected by the world recession, experienced a substantial decline in output in 1982. Metallic and non-metallic mineral production was especially affected, and there were many temporary or permanent mine closings. Prices of most mining products fell substantially in 1982, despite a recovery in the latter part of the year.

The drop in metal mines production, which accounted for most of the decline in mining activity, was due mainly to decreased durables manufacturing and construction in North America. The three main products – iron, copper and nickel – all experienced large reductions. Zinc and lead production rose, however, partly because of a new mine in the Northwest Territories. Among non-metallic minerals, the decline in asbestos output that began in 1980 accelerated in 1982, primarily because of the slowdown in construction activity throughout North America. Potash production decreased considerably as exports fell, but for the second consecutive year potash inventories remained very high at year-end.

Mineral fuels production experienced the least decline among the major mining sectors in 1982. Canadian crude oil production decreased only moderately, reflecting a recovery over 1981 when Alberta had reduced production; there was also some substitution of Canadian oil for imported oil following an agreement between the federal government and some Eastern refiners. Natural gas production increased, though only slightly, because of higher exports and increased pene-

tration of the Canadian residential market. Coal production continued to grow in 1982, though more slowly, reflecting increases in domestic deliveries and inventories.

Manufacturing

The decline in output that began in the third quarter of 1981 continued in 1982, and for the year as a whole manufacturing production fell sharply. There were large and widespread layoffs in the sector and average employment dropped in all regions, accounting for almost 54 per cent of the average annual decrease in employment in 1982.

The impact of the recession on the manufacturing sector was widespread, but was most pronounced among durable goods, particularly the machinery and related industries, construction-related products and the consumer durable goods industries. The output of machinery, and of the related primary metals and metal fabricating industries, was curtailed by the substantial reduction of both exports of machinery and equipment and domestic investment. Output of iron and steel mills fell as exports of steel products decreased substantially, domestic demand for pipes and tubes was lower and there was a decline in the demand for steel products by motor vehicle and parts manufacturers. The drop in non-residential construction led to reduced demand for cement, concrete products and ready-mix concrete and consequently the non-metallic mineral products industries curtailed production substantially. Demand for wood products was also lower as housing starts earlier had declined in both Canada and the U.S., and output decreased for the third consecutive year. However, the decrease in production in the wood products industries was mainly concentrated in the early part of the year; output increased in the second and third quarters in response to higher exports of lumber and plywood as housing starts in the U.S. increased throughout the year.

The recession also affected some of the consumer-oriented industries, particularly durable goods, as demand decreased in response to high interest rates earlier in the year, increased unemployment, a decrease in real personal disposable income and lower housing construction. Consequently, production of major electrical appliances and household furniture declined by one-third. In contrast, the output of the motor vehicle and parts manufacturers experienced a relatively small decrease in output as a sharp increase in exports partially offset reduced domestic sales of new motor vehicles. Domestic sales of new passenger cars manufactured in North America fell by about 25 per cent while sales of overseas-made cars declined at about half that rate and the market share of Japanese cars increased from 23 per cent in 1981 to 25 per cent in 1982. However, there were signs of improvement in the motor vehicle and parts and accessories industries as motor vehicle assembly increased in the first three quarters and production of parts increased in the second and third quarters. Among non-durable goods industries, there were substantial reductions in the outputs of textile and clothing mills and the leather and rubber industries. The output of the petroleum and coal products industries decreased for the fourth consecutive year, reflecting a sizeable decline in the net sales of refined petroleum products as demand fell cyclically and also as a result of the emphasis on fuel economy in automobiles and on heating oil conservation. Among other industries, production decreases were quite small in the food and beverage and tobacco industries, reflecting the lesser sensitivity of demand for these goods to cyclical changes in the economy.

Construction

Activity in the construction sector, which had increased sharply in 1981, experienced a significant decline in 1982 in both the residential and non-residential segments. Housing starts fell from year-earlier levels, especially in the second and third quarters, for the reasons outlined in Chapter 3. In the first quarter, the number of multi-unit residential housing starts was much higher than in the preceding quarter, and in the fourth quarter the number of starts increased sharply. In the non-residential sector, all sub-sectors showed reduced activity from 1981 in keeping with the revised investment intentions for 1982. Because of the sharp reduction in construction activity in 1982, employment in the sector decreased substantially, particularly in British Columbia, Quebec and the Prairies.

Utilities

The level of real output in the utility sector was little changed in 1982 following a strong increase in

1981. Conservation measures and lower industrial demand caused by the recession largely offset higher residential consumption which resulted from the Canada oil substitution program for off-oil conversions as well as generally colder average temperatures in western Canada over the first and last three months of the year. Real output in the electric power industry was little changed from the previous year, even though according to preliminary data exports of electric power to the U.S. fell, mainly due to a large reduction in exports from British Columbia. The gas distribution industry, which has a smaller share of utilities output than the electric power industry, increased output primarily due to growth in residential sales. Preliminary data indicate residential sales increased sharply in Ontario and throughout western Canada; expansion of the natural gas delivery network continued in Quebec in 1982, but milder temperatures, particularly toward year-end, dampened residential consumption in the province. Industrial demand for natural gas decreased.

Transportation, Storage and Communication

Real output in this sector decreased in 1982 following relatively slow growth in the previous two years; this decline occurred in the transportation industry as there were moderate increases in storage and communication services. Employment in the sector declined in all the major regions.

As the recession most severely affected production in the forestry, mining and manufacturing industries, railway and truck transportation in particular, as well as water transportation, decreased in 1982. Declines in shipments of most minerals and of manufactured products far outweighed increases in transportation of wheat and other grains. Air transportation also declined, partly because of reduced passenger travel. Even though there were decreases in the second half of the year, bus transportation for the year as a whole increased slightly as there was a recovery from labour disputes that had occurred in mid-1981. Urban transit output grew moderately in 1982 as municipal transport systems were affected by work stoppages in Quebec and Ontario. Pipeline utilization decreased during 1982 due to lower throughput of crude petroleum, even though natural gas transmission increased.

Storage services, which were up sharply in the final quarter of 1981 as a result of increased export shipments of grains, declined in the first quarter of 1982 and increased in most of the following months, reflecting increased activity at grain elevators as other storage and warehousing activity decreased. Communication services grew during 1982, but at a much slower rate than in the previous years, as a result of both a reduction in long distance phone calls and lower demand for postal services after the steep increase in postal rates early in the year.

Trade

Activity in the trade sector declined sharply in 1982, most notably at the wholesale level but also in retailing. Average employment for the year decreased, even though there was increased employment in the sector in Ontario and the Prairies. Wholesale merchants of all types of goods except food and farm products experienced lower output, with the decreases being relatively greater for metal and metal products, machinery and equipment, pulp and paper products, motor vehicles and accessories, hardware and lumber. The increase in wholesale trade of farm products was related to the increased activity of the Canadian Wheat Board as there was a record wheat crop in 1982. Retail trade activity likewise fell in 1982 as consumers postponed purchases of both non-durable and durable goods. Largest declines were experienced by motor vehicle dealers, despite some increased activity during the second quarter when manufacturers had offered rebates, by furniture stores, reflecting depressed construction activity, and by general merchandise and clothing stores.

Finance, Insurance and Real Estate Services

Real output of this sector was virtually unchanged in 1982, while average employment grew modestly even though there were decreases in the Atlantic region and Quebec. Among the components of this sector, the volume of rents increased moderately as housing construction was sharply lower in 1982 and there was a decline in the number of new dwelling units completed. The output of financial institutions decreased, and there was a substantial reduction in the business of security brokers as stock market activity declined and the number of shares traded dropped until late in the year when there was a strong upsurge in stock market activity.

Community, Business and Personal Services

Output in this sector declined in 1982 as lower real disposable incomes and decreased corporate profits contributed to reduced levels of economic activity in such commercially-oriented services as accommodation and food and services to business management. Health and welfare services were less affected by the recession and experienced moderate growth in output. Average employment for the year increased slightly in spite of decreases in Quebec and British Columbia.

Public Administration and Defence

Public administration and defence services increased moderately in every region in 1982, despite budgetary restraints. According to the labour force survey, the decrease in employment in Quebec offset increases in the other regions. Every level of government experienced growth, but local administration services increased the most in 1982, after having grown only slightly in 1981 because of labour disputes.

Regional Developments

Atlantic Region

Real output in the Atlantic region is estimated to have declined in 1982, following moderate growth in the preceding year. The economic recession affected all provinces in the region and most major sectors, particularly the export-sensitive mining and forestry sectors. However, output is estimated to have increased in agriculture, fishing, construction, community, business and personal services, and public administration. Employment decreased and the average unemployment rate increased in 1982.

In the primary sector, according to preliminary data, the volume of fish landed increased. Strong growth occurred in Newfoundland, reflecting mainly a large increase in the volume of cod landed as a result of higher quotas and a more successful trap fishery, and in New Brunswick. In Nova Scotia, however, fishing output was adversely affected by a significant decline in the scallop harvest following heavy exploitation in 1981. Farm cash receipts fell in 1982 due largely to lower receipts for potatoes in Prince Edward Island and New Brunswick because of lower average prices following high production levels in 1981. Potato production in 1982 is estimated to have reached another record in Prince Edward Island. Despite increased coal production in Nova Scotia after a lengthy labour dispute in 1981 and higher zinc output in New Brunswick, mining output in the region fell sharply, mainly because of a particularly large decline in Newfoundland where iron mining, the major part of the province's mining sector, experienced extended layoffs largely due to reduced exports. Forestry production declined significantly as housing starts and the demand for forest-related products fell.

In the secondary sector, both the value of manufacturing shipments and employment in manufacturing declined in 1982. Shipments of the transportation equipment and forest products industries fell particularly sharply. Construction activity increased in 1982, reflecting offshore exploration and government-sponsored capital investments, such as the development of the Cat Arm hydroelectric project in Newfoundland. Residential construction continued to decrease in the region in 1982 as housing starts fell. In the utility sector, net generation of electric power decreased in New Brunswick and Newfoundland as deliveries declined.

Activity in the service sectors declined largely as a result of the decreases in transportation, communication and storage and in trade in response to the cyclical drop in demand. Average annual employment in services fell slightly in 1982 even though employment increased in community, business and personal services, and public administration. Among provinces, service employment increased in Newfoundland and Prince Edward Island.

Labour income in the region increased at above the national average; growth in Prince Edward Island was among the highest in Canada. Total employment fell throughout the region, although the decline was generally less than the national average, while the labour force increased slightly. The average unemployment rate in 1982 rose sharply.

Quebec

Economic activity in Quebec is estimated to have declined sharply in 1982, particularly in the forestry, mining, manufacturing, construction and trade sectors. The residential housing market improved slightly at the end of the year following

Table 5.1
Main Economic Indicators by Sector

Gross Domestic Product (in constant 1971 prices)

	Share of total in 1982	1981	1982
	(per cent)	(percentage change)	
Agriculture	2.9	12.1	2.7
Non-agricultural primary industries	3.2	– 5.0	– 12.3
Manufacturing	20.2	2.1	– 12.3
Construction	5.9	7.1	– 8.3
Total goods-producing sectors	32.2	2.9	– 10.4
Transportation, storage, communication and utilities	14.5	3.7	– 3.0
Trade	11.8	0.3	– 8.7
Finance, insurance and real estate	13.7	3.9	0.1
Community, business and personal services	20.5	4.2	– 0.8
Public administration	7.3	2.0	3.2
Total services sectors	67.8	3.0	– 2.2
Total all industries	100.0	3.0	– 5.0

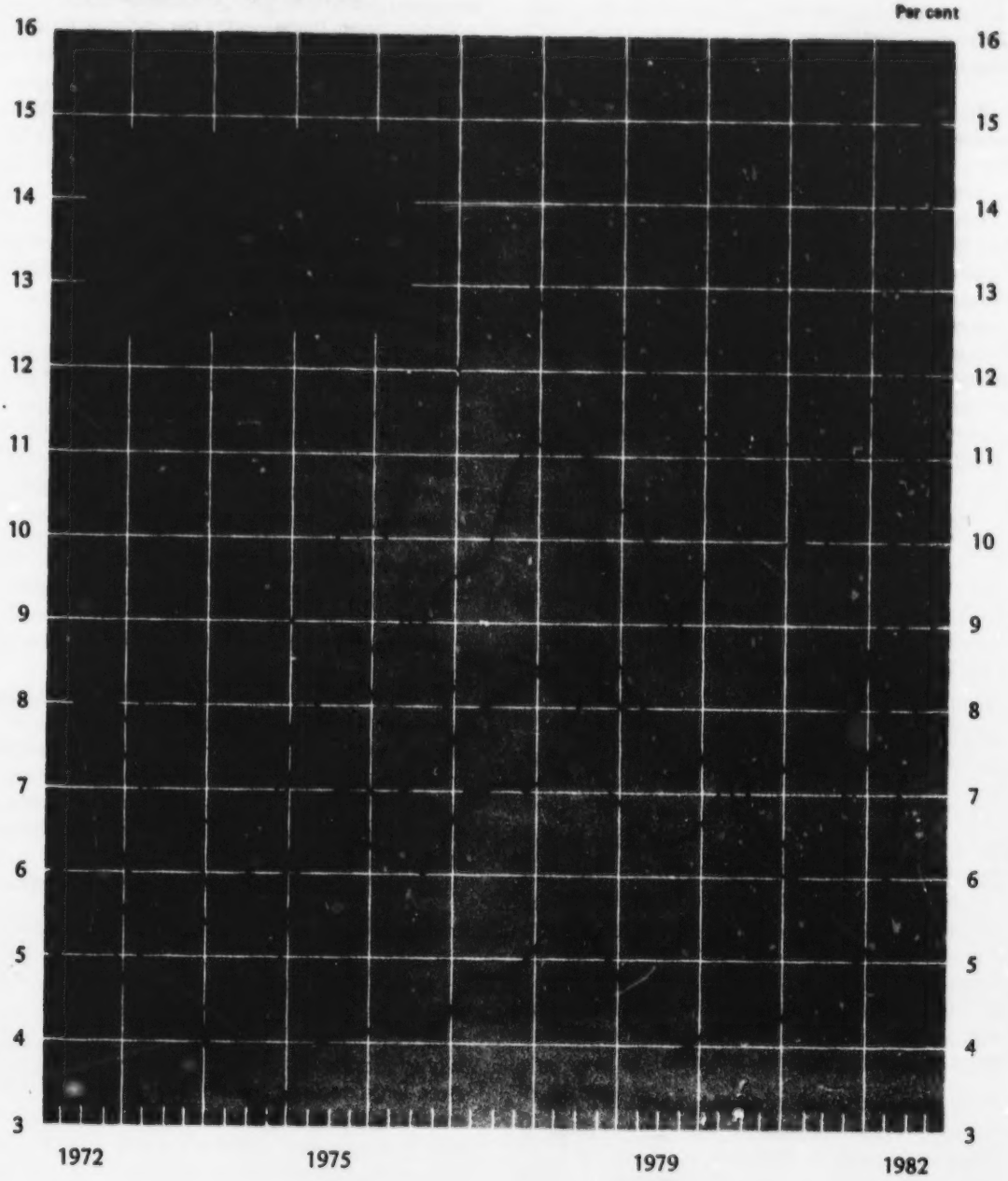
Employment

	Share of total in 1982	1981	1982
	(per cent)	(percentage change)	
Agriculture	4.4	1.5	– 3.9
Non-agricultural primary industries	2.5	6.0	– 16.8
Manufacturing	18.2	0.7	– 9.1
Construction	5.6	4.2	– 8.5
Total goods-producing sectors	30.7	1.9	– 9.0
Transportation, storage, communication and utilities	8.2	0.3	– 3.1
Trade	17.4	2.4	– 1.9
Finance, insurance and real estate	5.7	– 2.6	1.5
Community, business and personal services	30.8	5.2	0.5
Public administration	7.2	2.9	– 0.0
Total services sectors	69.3	3.0	– 0.5
Total all industries	100.0	2.6	– 3.3

Source: Statistics Canada, *Gross Domestic Product by Industry*, monthly, cat. 61-005; and *The Labour Force*, monthly, cat. 71-001.

Chart 5.2

Regional Unemployment Rates



Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001.

marked declines in the second and third quarters. The drop in employment, in both the goods and services sectors, was much greater than the decrease in the labour force, with a resulting sharp increase in the unemployment rate.

In the primary sector, farm cash receipts rose as a consequence of the importance of hog production in the province and the substantial increases in hog prices in 1982. After strong growth in 1981, forest production fell sharply in 1982 in response to the steep decline in pulp and paper sales on domestic and foreign markets. Lumber production continued to fall in 1982 as the North American housing market was depressed. Asbestos production decreased substantially in 1982 because of a large decline in exports to the United States. Iron and copper production posted a net decrease from 1981 because of the reduced level of economic activity.

In the secondary sector, the value of manufacturing shipments was much lower in 1982 than in 1981. The decrease was felt in most industries and was especially marked in the transportation equipment, primary metal, wood and "soft" industries – textiles, clothing, footwear and furniture. Construction fell sharply in 1982.

The housing starts declined despite large increases at the beginning of the year, caused by the termination of the MURB program, and at the end of the year in response to federal and provincial incentive programs. Non-residential investment also decreased, except in the public utilities sector which included the extension of the Quebec section of the Trans-Quebec & Maritimes gas pipeline. In utilities, net electric power generation fell because of the general slowdown of economic activity as well as mild temperatures late in the year. The drop in natural gas consumption in Quebec in 1982 was largely due to the decrease in industrial demand.

In services, trade was especially affected by the decline in economic activity. The value of retail sales rose slightly in 1982 but much less than consumer prices, indicating a substantial decrease in the volume of sales. All the service sectors are estimated to have been affected by the recession, although the finance, insurance and real estate sector was affected the least.

Labour income in Quebec grew much more slowly than in the rest of the country. Employment, which fell relatively more in Quebec than in the country as a whole in 1982, posted five consecutive quarterly drops, on a seasonally adjusted basis, following the second quarter of 1981. The labour force did not decline as much as employment so that the unemployment rate rose sharply in 1982, peaking in the third quarter.

Ontario

Following moderate economic growth in the preceding year, economic activity in 1982 is estimated to have declined in Ontario as the recession affected most sectors of the economy. Mining, forestry and manufacturing production were the most curtailed, followed by trade and construction activity. Numerous layoffs and plant shutdowns occurred. Average employment for the year decreased almost to its 1980 level, the labour force continued to grow and the unemployment rate rose through the year. Employment declined particularly sharply in the goods-producing industries and rose slightly in services.

In the primary sector, the winter wheat and tobacco crops were considerably smaller than in 1981 as a result of unfavourable weather. Farm cash receipts declined moderately as reduced receipts for crops, reflecting both smaller volumes and lower prices, were not fully offset by increased receipts for livestock and products. In mining, nickel, copper and iron ore production fell sharply in response to depressed market conditions and there were layoffs and long closures in the industry. Forestry production was also substantially lower because of reduced export demand for pulp and paper products and lumber.

In the secondary sector, the value of manufacturing shipments declined during 1982, although not as sharply as at the national level, as the value of shipments in the transportation equipment industries increased at a strong rate, reflecting in part higher exports of automobiles to the U.S. However, large declines occurred in the value of shipments by the wood, furniture and fixture, textiles, machinery, primary metal and metal fabricating industries. In construction, the number of housing starts decreased in 1982, despite very strong increases in the first and last quarters due to the termination of the MURB program at the start of the year and the introduction of federal and provincial incentive programs late in the year. Non-residential construction also decreased significantly as indicated by the drop in the value of

building permits. In utilities, electric power generation was little changed as industrial activity was much lower, but there was further off-oil substitution in the residential sector. Total sales volumes of natural gas fell in the province largely due to lower industrial demand.

Services on the whole decreased as transportation and particularly trade activity declined. The total value of retail sales in the province increased at a slow rate, whereas consumer prices rose more strongly, indicating large declines in the volume of sales, particularly by motor vehicle dealers and household furniture and appliance stores. Employment rose slightly in all the service sectors, except transportation, communication, storage and utilities, in 1982.

Labour income in 1982 grew more rapidly than at the national level. Total employment decreased, although at a pace less than in Canada as a whole, while the labour force continued to increase at a slow rate. The unemployment rate consequently increased sharply. The increases in unemployment were particularly large during the latter part of the year when manufacturing and construction employment declined the most.

The Prairie Region

Real output in the region in 1982 is estimated to have declined but at a slower pace than the national average, since the impact of the recession on the region was partly offset by record or near-record grain crops in Saskatchewan and Manitoba. All three provinces are estimated to have experienced lower output, and most major sectors suffered from the recession. Unemployment rates rose sharply in all the provinces, although Saskatchewan was the only province in the country to have had an increase in average employment in 1982. Employment decreased in the goods-producing industries in all provinces.

In the primary sector, farm cash receipts decreased in Alberta and Saskatchewan mainly as a result of lower grain prices. Seeded acreages for all major field crops, except barley, were higher in 1982 and this, together with above-average growing conditions, resulted in record or near-record grain production. Most of the increases were in Manitoba and Saskatchewan, while decreases are estimated to have occurred in the production of corn in Manitoba, canola in Saskatchewan and rye, corn, barley and wheat in Alberta. Mining output was adversely affected by cutbacks in oil production in Alberta, reduced potash production and layoffs at the Potash Corporation of Saskatchewan and a decline in the demand for nickel and copper.

In the secondary sector, the value of manufacturing shipments in the region declined, with the rates of decrease in Saskatchewan and Alberta exceeding the national average. The decreases in the manufacturing sector were widespread. Only petroleum and coal products shipments showed any significant increase but only because of price increases. Housing starts increased in Saskatchewan – one of the two provinces in the country to experience an increase – and decreased in Manitoba and Alberta, resulting in an overall decline in starts in the region. The volume of non-residential construction in the region, particularly industrial and commercial, is estimated to have been lower in 1982 than in 1981 as a number of projects were curtailed or postponed and lengthy labour disputes occurred in the construction industry. Output in the utilities sector rose strongly mainly because of increased consumption due to colder average temperatures.

In the services sector, decreased activity in trade and in transportation, storage and communication more than offset increases in the other services. Employment in all major service sectors, except transportation, communication, storage and utilities, rose in the region in 1982.

Labour income in the region grew at a much slower pace in 1982 than in 1981 but still at the fastest rate in the country. Employment decreased, reflecting the drop in the goods-producing sectors, while the labour force increased relatively strongly, particularly in Alberta. The average annual rate of unemployment increased sharply in all the Prairie provinces, and especially in Alberta.

British Columbia

Real economic activity in British Columbia in 1982 is estimated to have decreased sharply, following relatively weak growth in the preceding year, as export demand for wood, pulp and paper and mining products declined. Construction and trade activity also fell significantly. Employment, particularly in all the goods-producing industries except agriculture, declined at one

Table 5.2
Main Economic Indicators by Region

Labour Market

	Employment		Labour force		Unemployment rate	
	1981	1982	1981	1982	1981	1982
	(percentage change)				(per cent)	
Atlantic region	1.2	– 2.8	1.7	0.3	11.6	14.4
Quebec	0.7	– 5.4	1.3	– 1.6	10.4	13.8
Ontario	2.9	– 2.6	2.6	0.8	6.6	9.8
Prairie region	3.9	– 0.9	4.1	2.2	4.5	7.4
British Columbia	4.7	– 5.1	4.7	0.7	6.7	12.1
Canada	2.6	– 3.3	2.7	0.4	7.6	11.0

New Capital Expenditures (Current dollars)

	Total			Residential			Other		
	1971-1980[1]	1981	1982	1971-1980[1]	1981	1982	1971-1980[1]	1981	1982
				(percentage change)					
Atlantic region	14.8	13.6	12.4	9.9	– 2.6	– 20.4	16.1	16.8	17.8
Quebec	18.2	7.2	– 5.4	10.0	16.5	– 25.3	20.8	5.4	– 1.3
Ontario	17.0	19.1	– 4.3	7.5	19.2	– 19.2	20.3	19.1	– 1.4
Prairie region	25.8	26.7	– 7.3	18.7	8.6	– 21.2	27.7	30.0	– 5.3
British Columbia[2]	19.7	29.0	– 11.6	15.7	43.3	– 35.4	21.0	25.2	– 4.4
Canada	19.5	20.3	– 5.7	11.8	19.3	– 24.7	22.0	20.5	– 1.9

Other Indicators

	Farm cash receipts		Wages and salaries		Retail sales	
	1981	1982	1981	1982	1981	1982
			(percentage change)			
Atlantic region	23.9	– 4.9	11.6	6.8	9.3	6.5
Quebec	20.4	4.5	12.0	3.5	8.5	3.6
Ontario	12.4	– 2.1	13.7	6.6	13.7	5.3
Prairie region	20.6	– 1.9	17.7	9.5	14.6	2.1
British Columbia	15.2	4.2	12.8	3.7	13.5	– 3.4
Canada	18.2	– 0.9	13.7	6.0	12.2	3.2

[1] Average annual compound increase.
[2] Includes Yukon and Northwest Territories.
Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001; Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*, annual, cat. 61-206; Statistics Canada, *Farm Cash Receipts*, monthly, cat. 21-001; *Estimates of Labour Income*, monthly, cat. 72-005; and *Retail Trade*, monthly, cat. 63-005.

of the fastest rates in the country, while the labour force continued to rise, and as a result the unemployment rate rose to very high levels in the last three quarters of the year.

In the primary sector, forestry output continued to decline rapidly, although at a slower rate than in 1981 as there was recovery from long labour disputes in that year. Lumber production decreased again in 1982 as housing starts in the U.S. were at very low levels. Pulpwood production also declined during 1982 as pulp and newsprint markets deteriorated as the recession deepened. Numerous layoffs, reduced shifts and shutdowns occurred in the industry during the year as in 1981. In mining, copper and molybdenum production decreased in 1982 and there were long closures and layoffs at the major mines in the province. Gas production also decreased, but the output of coal continued to rise, although at a slower rate than in the previous year. In fishing, preliminary data indicate a decline in total landings, particularly of pink salmon, although there were increased catches of other more valuable species of salmon. Farm cash receipts increased during the year, reflecting increased receipts from livestock and products and also much higher payments under the province's income stabilization program.

In the secondary sector, the value of manufacturing shipments of most industries dropped from 1981 levels. There was also a decline for the wood and paper and allied industries in spite of some recovery from labour disputes in 1981 and increased exports of lumber late in the year. In construction, the total number of housing starts fell in 1982 from the high level of the previous year; non-residential construction also dropped, as indicated by the value of building permits, as various projects were postponed or abandoned. In utilities, electric power generation declined, reflecting lower exports, but gas distribution particularly to residential consumers increased.

Within the services sector, the value of retail sales, especially of motor vehicles, household furniture and appliances and general merchandise, declined in 1982. Transportation also dropped because of the reduced goods production. Increased employment in finance, insurance and real estate and public administration was more than offset by decreases in the other services sectors.

Labour income in the province increased at a slower rate than in 1981 and at much less than the national pace. Employment fell sharply, while the labour force continued to rise, but at a slower rate than in 1981, leading to a large increase in the unemployment rate.

6. Balance of Payments

The current account of Canada's balance of payments improved to a $2.7 billion surplus in 1982, the first surplus since 1973. Underlying this change was a large increase in the surplus on merchandise trade, which more than doubled from 1981 to $17.7 billion. The strength of the trade balance was in turn related to a sharp reduction in imports. Canada's exports held up well under circumstances of weak economic activity internationally.

The long-term capital account posted a record inflow of $8.6 billion, as a large volume of Canadian long-term securities was issued abroad and as takeover-related outflows on direct investment account were down sharply. At $11.2 billion, the surplus on basic balance – the sum of the current and long-term capital accounts – was a record. Following a large inflow in 1981, transactions in short-term financial instruments led to a sizeable outflow. Foreign exchange markets were marked by volatile rate movements in 1982.

On balance the Canadian dollar declined against the U.S. dollar but rose against all other major currencies.

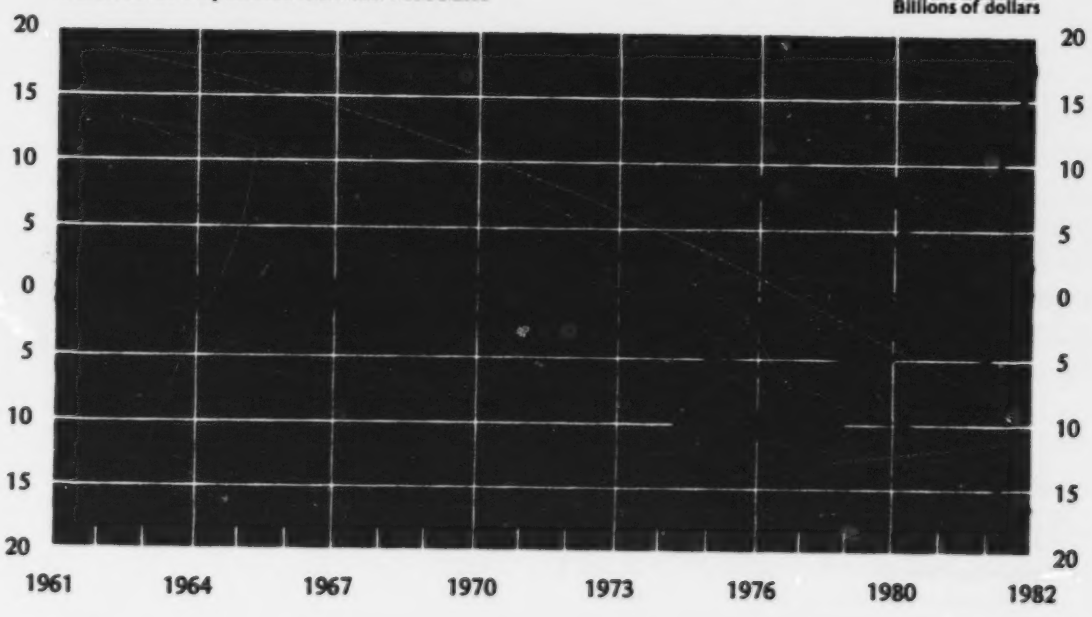
Current Account

After posting a small surplus in 1973, the current account balance moved to a deficit that generally fluctuated around $4 billion to $5 billion until 1981 (Chart 6.1). Rapid growth occurred in the services deficit, mainly in interest and dividend payments, reflecting increased international indebtedness and more recently high interest rates, and increased dividend payouts. Larger payments on travel abroad also contributed to the increased services deficit. The merchandise trade balance generally improved over this period to offset the growing services deficit.

The current account balance improved substantially in 1982 to post a surplus of $2.7 billion compared to a deficit of $5.3 billion in 1981

Chart 6.1

Balance of Payments Current Account



Source: Statistics Canada, *Quarterly Estimates of International Payments*, quarterly, cat. 67-001.

(Table 6.1). This turnaround occurred as the merchandise trade surplus improved by $10.3 billion which was only partially offset by a $2.2 billion rise in the services deficit.

Merchandise Trade

Canada's merchandise trade surplus increased to $17.7 billion in 1982, from $7.4 billion in 1981 and the previous record of $8.5 billion in 1980. The improvement reflected a $10.2 billion decrease in imports. This improvement in the merchandise trade surplus occurred despite a 1.4-per-cent decline in the terms of trade.

The value of imports fell 13.2 per cent, with declines in every major category except miscellaneous imports (Table 6.2). Large declines occurred in imports of machinery and equipment, industrial materials and crude petroleum, accounting for $9.1 billion of the $10.2 billion total decline in imports. Despite the weakness of world economic activity, the value of total exports of goods increased slightly (Table 6.3). Declines in exports of such resource-related goods as metals and minerals, pulp, paper and board, lumber and plywood, and other fabricated materials were largely offset by a 25.9-per-cent increase in exports of autos and parts and a significant increase in export volumes of wheat and flour. The depreciation of the Canadian dollar relative to the U.S. dollar also helped to increase the value of exports to the U.S. Canada improved its trade position in 1982 with the U.S., Japan and Canada's non-OECD trading partners. The trade surplus with European countries declined (Table 6.4), probably because of the substantial appreciation of the Canadian dollar relative to European currencies over the last two years. The surplus with the U.S. increased $7.5 billion to $11.1 billion in 1982.

Canada's merchandise trade balances by commodity group have typically shown substantial

Table 6.1
Summary of the Current Account of Canada's Balance of International Payments

	1976	1977	1978	1979	1980	1981	1982
	(billions of dollars)						
Merchandise exports	38.0	44.3	53.1	65.3	76.8	84.2	84.5
Merchandise imports	36.6	41.5	49.0	61.2	68.3	76.9	66.7
Balance of trade							
Nominal	1.4	2.7	4.0	4.1	8.5	7.4	17.7
Real (1971 dollars)	– 1.7	– 0.1	1.4	– 0.5	0.9	1.3	5.0
Service receipts	7.6	8.3	9.9	11.9	14.2	15.2	15.9
Service payments	13.4	15.7	18.9	21.6	25.0	29.5	32.4
Balance on services	– 5.8	– 7.4	– 9.0	– 9.7	– 10.8	– 14.3	– 16.5
Total receipts	45.6	52.5	63.0	77.2	90.9	99.5	100.4
Total payments	50.0	57.3	68.0	82.8	93.3	106.4	99.1
Balance on goods and services	– 4.4	– 4.7	– 5.0	– 5.6	– 2.3	– 6.9	1.2
Net transfers	0.5	0.4	0.0	0.7	1.2	1.6	1.4
Balance on current account	– 3.8	– 4.3	– 4.9	– 5.0	– 1.1	– 5.3	2.7

Note: Balances may not be the sum of the detail due to rounding.
Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

Table 6.2
Canada's Merchandise Imports[1]
(Balance of payments basis)

	1976	1977	1978	1979	1980	1981	1982
				(billions of dollars)			
Food	2.5	2.9	3.2	3.7	4.1	4.5	4.2
Crude petroleum	3.3	3.2	3.5	4.5	6.9	7.9	4.9
Construction material	0.9	1.0	1.1	1.4	1.3	1.7	1.2
Industrial material	7.7	8.7	10.8	15.0	17.0	18.6	15.7
Auto and related products	9.3	11.3	13.1	15.0	13.3	15.8	14.7
Machinery and equipment	7.6	8.6	10.7	14.1	16.8	19.5	16.3
Other consumer goods							
United States	2.1	2.3	2.7	3.1	3.4	3.8	3.5
Rest of the world	2.4	2.7	3.0	3.4	3.6	4.3	4.2
Miscellaneous	0.7	0.8	1.0	1.2	1.8	0.8	1.9
Total	36.6	41.5	49.0	61.2	68.3	76.9	66.7
				(percentage change)			
Food	6.4	17.1	11.8	12.5	13.2	9.2	– 6.1
Crude petroleum	– 1.2	– 1.0	7.6	29.0	55.2	14.0	– 37.4
Construction material	13.8	5.7	11.2	23.0	– 4.7	29.3	– 26.6
Industrial material	6.9	12.9	23.1	38.9	13.7	9.6	– 16.0
Auto and related products	14.1	21.7	15.5	14.5	– 11.3	19.1	– 7.1
Machinery and equipment	– 1.1	12.3	25.2	31.2	19.0	16.4	– 16.4
Other consumer goods							
United States	16.9	7.8	15.4	15.5	11.3	10.0	– 6.6
Rest of the world	28.5	11.0	13.6	12.4	7.4	17.9	– 2.0
Miscellaneous	2.8	12.2	21.1	23.8	51.2	– 58.3	155.7
Total	7.8	13.4	18.1	24.7	11.7	12.6	– 13.2

Note: Details may not add due to rounding.

[1] Trade data on a balance of payments basis are basically those obtained from customs documents adjusted to represent more accurately all economic transactions between residents and non-residents with financial implications for the balance of payments. Customs data include only the physical movement of goods as reflected in the customs reports. Adjustments for timing, coverage and valuation are made to convert these data to a balance of payments basis. The balance of payments adjustments reported by Statistics Canada were allocated to these commodity groupings by the Department of Finance.

Source: Bank of Canada, *Review*, monthly; Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001; and Department of Finance.

and growing surpluses in fabricated materials and food products and a large and increasing deficit in manufactured end products, while the crude materials surplus declined in 1980 and 1981. However, some of these trends were recently reversed. The balance of trade improved in 1982 in all major commodity groups with the greatest improvement occurring in trade in end products (Table 6.4). The improvement in the trade surplus on crude materials in 1982 was more than accounted for by the substantial decline in imports of crude petroleum. This was a result of several factors: large increases in domestic oil prices which reduced domestic demand for oil, the termination of oil production cutbacks imposed by the Government of Alberta, weak economic activity in Canada, and a decline in oil import prices which reduced import values. The

Table 6.3
Canada's Merchandise Exports[1]
(Balance of payments basis)

	1976	1977	1978	1979	1980	1981	1982
				(billions of dollars)			
Wheat and wheat flour	1.9	2.1	2.0	2.3	3.9	4.0	4.3
Other agricultural products	3.0	3.4	4.2	5.4	5.5	6.8	7.1
Crude petroleum	2.2	1.7	1.6	2.5	2.9	2.5	2.7
Natural gas	1.6	2.1	2.2	3.0	4.0	4.4	4.8
Lumber and plywood	1.8	2.5	3.4	4.1	3.6	3.2	3.1
Pulp, paper and board	4.7	5.1	5.7	7.3	8.9	9.3	8.4
Metals and minerals	6.8	7.7	8.7	10.6	14.6	14.5	12.6
Other fabricated materials	2.9	3.9	5.4	7.7	9.1	10.5	9.8
Auto and related products	8.3	10.4	12.5	11.8	10.9	13.1	16.5
Machinery and equipment	2.8	3.0	4.0	5.3	6.5	7.7	7.5
Other manufactured goods	1.7	1.8	2.3	3.4	4.4	4.6	4.7
Miscellaneous	0.4	0.5	0.9	1.8	2.4	3.6	3.0
Total	38.0	44.3	53.1	65.3	76.8	84.2	84.5
				(percentage change)			
Wheat and wheat flour	– 12.6	11.4	– 1.2	12.7	69.1	1.5	8.7
Other agricultural products	17.3	13.5	22.8	29.3	2.2	23.9	3.8
Crude petroleum	– 28.0	– 19.3	– 9.5	60.7	12.4	– 12.8	10.4
Natural gas	41.1	27.1	6.2	35.9	33.7	9.7	9.0
Lumber and plywood	67.6	44.1	35.5	19.7	– 12.6	– 11.2	– 2.3
Pulp, paper and board	18.1	9.7	11.6	27.2	22.8	4.0	– 9.6
Metals and minerals	18.6	14.1	12.8	21.6	37.6	– 0.5	– 13.1
Other fabricated materials	18.2	32.6	38.7	42.7	18.6	15.3	– 7.3
Auto and related products	27.9	25.9	20.4	– 5.4	– 8.0	20.2	25.9
Machinery and equipment	6.9	7.3	30.8	34.2	21.8	17.7	– 2.4
Other manufactured goods	19.1	6.7	32.7	44.2	30.4	4.8	1.5
Miscellaneous	– 53.2	3.1	99.1	91.1	36.7	50.1	– 17.5
Total	13.4	16.5	19.9	23.0	17.6	9.7	0.3

Note: Details may not add due to rounding.
[1] See footnote to table 6.2.
Source: Bank of Canada, *Review*, monthly; Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001; and Department of Finance.

surplus in fabricated materials increased only marginally in 1982. The decline in industrial production in the major OECD countries resulted in the first decline in exports of fabricated materials in more than a decade, with particularly large declines in iron and steel and non-ferrous exports. However, the large decline in industrial production in Canada significantly reduced Canadian fabricated imports to more than offset the export decline.

The $8.3 billion improvement in the balance of trade in manufactured end products in 1982 was a major change from the previous six years, which saw the deficit in end products increase from $10.1 billion in 1976 to $20.9 billion in 1981 (Table 6.5). While the trade balance in non-automotive products generally improved, the largest improvement occurred in trade in automotive products, where the balance moved from a deficit of $2.9 billion in 1981 to a surplus of

Table 6.4
Trade Balance by Commodity Group and Country Group

	1976	1977	1978	1979	1980	1981	1982
	(billions of dollars)						
By country							
United States	0.5	1.5	2.6	0.3	1.3	3.5	11.1
United Kingdom	0.8	0.6	0.4	0.6	1.3	1.0	0.8
Other EEC	0.6	0.3	– 0.2	0.8	2.7	1.4	1.0
Japan	0.8	0.7	0.5	1.8	1.5	0.4	1.0
Other OECD	– 0.1	0.0	– 0.2	0.0	0.5	0.4	0.0
Other	– 1.2	– 0.3	0.8	0.6	1.2	0.6	3.9
Total, balance of payments basis	1.4	2.7	4.0	4.1	8.5	7.4	17.7
By commodity group							
Food and related products	1.4	1.3	1.5	2.1	3.5	4.2	5.3
Crude material and related products	3.2	3.5	2.9	4.6	3.4	3.0	6.1
Fabricated materials	6.0	7.9	10.4	12.4	16.6	16.0	16.1
Autos and related products	– 1.2	– 1.2	– 0.8	– 3.3	– 2.7	– 2.9	1.5
Other end products	– 8.9	– 9.9	– 11.6	– 13.9	– 15.1	– 17.9	– 14.1
Re-exports and special transactions	0.5	0.5	0.6	0.9	1.2	2.2	1.9
Total, customs basis	1.0	2.2	3.1	2.8	6.9	4.5	16.8

Note: Details may not add due to rounding.
Source: Statistics Canada, *Summary of External Trade*, monthly, cat. 65-001, and *Quarterly Estimates of the Canadian Balance of International Payments*, quarterly, cat. 67-001.

$1.5 billion, the first surplus since 1971. This was caused by the substantial increase in exports of large and mid-sized automobiles to the U.S. and significant reductions in automobile imports, reflecting the decline in Canadian demand. High interest rates, rapidly increasing gasoline prices and declining real consumer income all contributed to the decline in Canadian automobile demand. However, part of the improvement in the trade balance on finished automobiles was offset by increases in imports of motor vehicle engines and parts for use in the increased production of automobiles for export to the U.S.

Canada's merchandise terms of trade have been influenced importantly by wide fluctuations in international prices for raw materials and semi-processed goods over the past four years. The terms of trade improved in 1979 and 1980 with a surge in resource prices but fell in 1981 and 1982 as resource prices tumbled while prices of manufactured goods continued to increase with the growth of labour costs. As a result, the terms of trade declined by 3.8 per cent in 1981 and 1.3 per cent in 1982.

International Competitiveness

Canada's international cost competitiveness in manufactured goods, measured in U.S. dollars, declined substantially in the last two years (Table 6.6 and Chart 6.2). However, even with the

recent declines, the level of Canada's competitiveness index in 1982 was only slightly below its average for the 1960 to 1982 period, and was significantly higher than during the 1974 to 1976 period.

Canada's competitive position is affected both by changes in domestic currency costs of producing goods in Canada relative to other countries and by fluctuations in exchange rates. The declines in the domestic currency competitiveness index in 1981 and 1982, as shown in Table 6.6, reflected Canadian unit labour costs that were rising faster than in countries with which Canada trades. This happened because average hourly earnings in Canada increased relatively more and trend productivity relatively less. Some depreciation of the Canadian dollar relative to the average of the currencies of its major trading partners (weighted to reflect trade in manufacturing goods) served to offset partially this loss in competitiveness in 1982.

Services

Canada has traditionally recorded a deficit in service transactions. This deficit, which has been growing steadily throughout the last decade, reached $16.5 billion in 1982 (Table 6.7). The 1982 increase in the deficit was mainly the result of a $2.8 billion increase in interest payments on Canadian bond and debenture debt with the rest of the world. However, the increase in the deficit was significantly less than in 1981 as the weakness of the Canadian economy slowed the increase in dividend, miscellaneous income, travel, and freight and shipping payments.

Interest and Dividends

The growth of Canadian interest payments to non-residents has been a primary source of increase in the services deficit since 1974. Interest payments increased at an annual rate of 25.0 per cent, from $1.0 billion in 1974 to

Table 6.5
Trade Balance in Manufactured End Products (Customs basis)

	1976	1977	1978	1979	1980	1981	1982
	(billions of dollars)						
General purpose machinery	– 0.5	– 0.5	– 0.6	– 0.7	– 0.8	– 0.9	– 0.7
Special industry machinery	– 1.8	– 1.8	– 2.1	– 3.0	– 3.8	– 3.6	– 2.5
Agricultural machinery and tractors	– 0.8	– 0.8	– 0.9	– 1.3	– 1.2	– 1.5	– 1.0
Motor-vehicle-related products	– 1.2	– 1.2	– 0.8	– 3.3	– 2.7	– 2.9	1.5
Other transportation equipment	0.0	– 0.2	– 0.3	– 0.4	– 0.4	– 0.8	0.6
Telecommunications and related equipment	– 0.7	– 0.8	– 0.9	– 1.2	– 1.2	– 1.4	– 1.2
Office machinery and equipment	– 0.4	– 0.5	– 0.6	– 0.7	– 1.2	– 1.7	– 1.9
Other equipment and tools	– 1.8	– 2.0	– 2.4	– 2.6	– 2.7	– 3.2	– 2.7
Consumer goods	– 2.9	– 3.3	– 3.7	– 4.0	– 3.9	– 4.8	– 4.7
Total	– 10.1	– 11.1	– 12.4	– 17.1	– 17.8	– 20.9	– 12.6

Note: Details may not add due to rounding.
Source: Statistics Canada, *Summary of External Trade*, monthly, cat. 65-001.

Table 6.6
Changes in Canada's International Competitiveness in Manufacturing

Period	Domestic currencies	U.S. dollar terms	Period	Domestic currencies	U.S. dollar terms
	(percentage change)			(percentage change)	
1961	0.2	4.7	1972	– 0.9	– 1.7
1962	0.2	5.4	1973	– 0.5	2.2
1963	– 0.7	0.2	1974	– 3.1	– 5.7
1964	– 0.6	– 0.6	1975	– 3.8	0.1
1965	– 3.1	– 3.1	1976	– 4.1	– 8.6
1966	– 1.5	– 1.6	1977	– 2.2	6.4
1967	– 1.6	– 1.6	1978	1.6	11.9
1968	– 1.0	– 1.7	1979	0.4	3.2
1969	– 0.4	– 0.5	1980	0.2	0.2
1970	0.9	– 2.2	1981	– 2.9	– 3.7
1971	– 0.1	– 2.9	1982	– 4.2	– 3.9
Total cumulative change between 1961 and 1971	– 7.7	– 8.3	Total cumulative change between 1972 and 1982	– 17.2	0.6

Note: The competitiveness index is measured as the trade-weighted average of manufacturing unit labour costs of 10 major OECD countries relative to Canadian manufacturing unit labour costs. In domestic currency terms the index reflects relative changes in domestic currency costs, while in U.S. terms the index also reflects fluctuations in exchange rates. A negative change indicates a loss of competitiveness, and vice versa. For details on calculating the competitiveness index for the Canadian manufacturing industry, contact the Macro-Analysis Section of the Economic Analysis Division, Department of Finance.
Source: Department of Finance.

$4.9 billion in 1981, compared to interest receipts which increased from $0.3 billion in 1974 to only $0.4 billion in 1981. In 1982, interest payments rose sharply by $2.8 billion or 57.5 per cent to reach $7.7 billion while interest receipts fell 15.9 per cent to $0.3 billion. This brought net interest payments as recorded under "interest and dividends" to $7.4 billion, accounting for 45 per cent of the total services deficit in 1982. This increase in net interest payments can be attributed to three major factors: a one-third increase in bond indebtedness to the rest of the world because of particularly heavy provincial and corporate borrowing in late 1981 and 1982; large increases in average interest rates payable on debt; and the decline in the value of the Canadian dollar relative to the U.S. dollar which increased the Canadian dollar value of interest payment on bonds denominated in U.S. dollars.

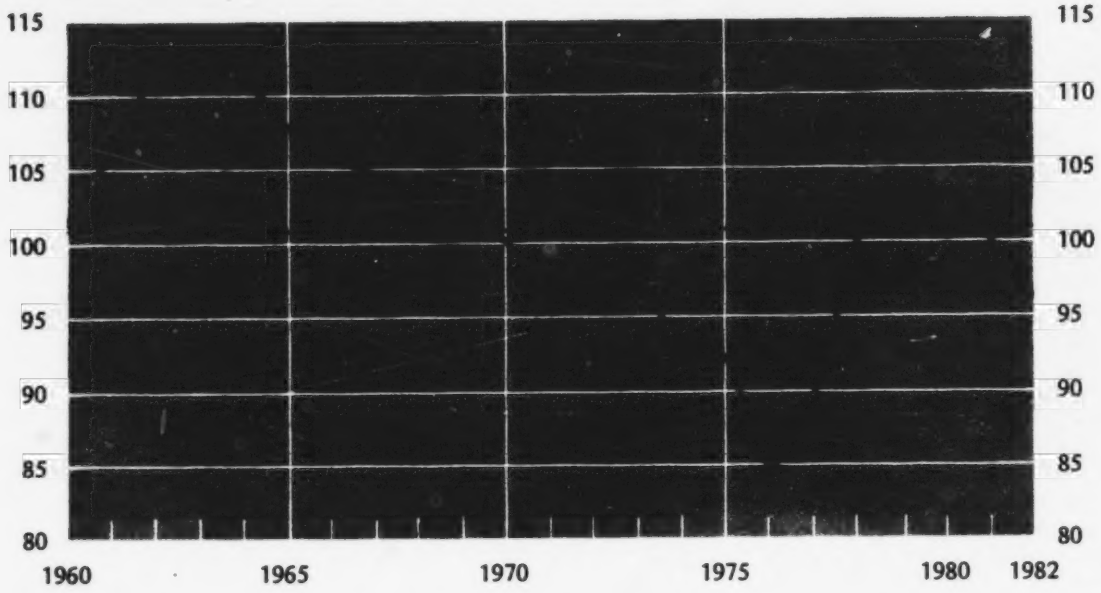
The deficit on dividends remained unchanged in 1982 after worsening for a decade. The rise in the deficit over the past decade was related largely to the increase in dividend payments in line with the upward movement in bond yields. In 1982, however, the recession led companies to pay substantially smaller dividends. The decline in Canadian dividend payments was offset by an equivalent decline in dividend receipts.

Other Services

The other-services category in the balance of payments includes miscellaneous income, government transactions and business services and other transactions. In the past few years the deficit on miscellaneous income has increased significantly, from $249 million in 1975 to $3.8 billion in 1981, almost entirely due to a rise in net interest payments on short-term and miscellaneous long-term bank and inter-company loans. Because of a 56.9-per-cent increase in miscellaneous income receipts in 1982, the deficit in this category declined to $3.2 billion in 1982, the first decline

Chart 6.2

Canada's Competitiveness in the Manufacturing Sector
(Competitiveness Index 1970 = 100)



(1) Weighted average of unit labour costs of competing countries relative to unit labour costs in Canada, the unit labour costs being expressed in U.S. dollars.

Source: Department of Finance.

Table 6.7
Services Balance

	1976	1977	1978	1979	1980	1981	1982
				(billions of dollars)			
Freight and shipping	– 0.1	0.0	0.1	0.3	0.5	0.5	0.9
Travel	– 1.2	– 1.6	– 1.7	– 1.1	– 1.2	– 1.1	– 1.3
Interest	– 1.6	– 2.5	– 3.2	– 3.7	– 3.9	– 4.5	– 7.4
Dividends	– 0.9	– 1.2	– 1.5	– 1.6	– 1.4	– 1.9	– 1.9
Other services	– 1.4	– 1.6	– 2.1	– 3.0	– 3.8	– 6.0	– 5.6
Miscellaneous income	– 0.3	– 0.4	– 0.7	– 1.3	– 1.6	– 3.8	– 3.2
Government business and other	– 1.1	– 1.2	– 1.5	– 1.7	– 2.2	– 2.2	– 2.5
Withholding tax	– 0.5	– 0.5	– 0.6	– 0.8	– 1.0	– 1.1	– 1.2
Total	– 5.8	– 7.4	– 9.0	– 9.7	– 10.8	– 14.3	– 16.5

Note: Details may not add due to rounding.
Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

since 1975. One contributing factor was the change in the Bank Act in February 1981, imposing reserve requirements on foreign currency deposits booked in Canada by Canadians. This led to a substantial increase in foreign currency deposits held by Canadians abroad and a corresponding increase in interest earnings on these deposits. The decline in the miscellaneous income deficit was partially offset by an increase in the business and other services deficit, which includes business, personal and professional services provided to Canadians by non-residents.

Travel

Canada's deficit on travel increased in 1982 to $1.3 billion from $1.1 billion in 1981. Travel payments to foreign countries increased 2.7 per cent, despite downward pressure on real incomes. On the other hand, total travel receipts from other countries fell 1.0 per cent, the first decline in more than a decade, stemming from the weakness of economic activity in the U.S. and Europe. There was also a substantial decline in one-day visitors from the U.S. because of a narrowing of the difference in Canadian and U.S. gasoline prices. While there was a small reduction in the total number of Canadians travelling abroad, there was an increase in Canadians travelling to countries other than the U.S. The strengthening of the Canadian dollar relative to European currencies and deep discounting of air fares appear to have attracted Canadians to countries other than the U.S.

Capital Account, Exchange Rate and Official International Reserves

Takeover activity, which heavily influenced financial transactions between Canadians and residents of other countries in 1981, fell off sharply in 1982. Other major characteristics of the capital account in 1982 included record long-term capital inflows from new issues of Canadian securities abroad and a swing in the net short-term capital account from a large inflow to a sizeable outflow. Against the U.S. dollar, the Canadian dollar traded at a lower average value in 1982 than in 1981, but strengthened against most other major currencies. At year end, Canada's official international reserves stood at U.S. $3.8 billion, down U.S. $578 million over the year.

The net inflow of long-term capital amounted to $8.6 billion, up from $0.6 billion recorded in 1981 as indicated in Table 6.8. Two major factors accounted for this increase. Inflows associated with new issues of Canadian securities abroad reached a record high of $16.0 billion, as Canadian borrowers relied heavily on bond markets to raise funds in 1982. A high proportion of the foreign borrowing was done in the Euro-bond market, attracted by lower long-term interest rates abroad. The direct investment account showed considerable change with a net outflow of $1.2 billion being recorded, down from $10.5 billion the previous year. This reduction was primarily related to the decline in acquisitions by Canadians of foreign-owned corporations in Canada and abroad. Although takeovers continued to take place in 1982, their scale and scope were substantially smaller.

Financial transactions in short-term instruments by Canadians with non-residents produced an outflow of $9.4 billion, a large swing from the $15.1 billion inflow recorded in 1981. Financial flows through the banking system dominated this movement: a significant portion of the large amount of takeover activity in 1981 was financed through the Canadian banks raising funds abroad; in 1982, however, the banks reduced their net foreign currency debt to non-residents. The "net errors and omissions" or balancing item in the accounts, which is thought to reflect primarily unrecorded financial transactions, was equivalent to a capital outflow of $2.5 billion, $6.6 billion lower than the corresponding 1981 figure.

The Canadian dollar traded in a broad range against most major currencies in 1982. In terms of its U.S. counterpart, the dollar weakened sharply over the first half of the year, touching a record low of U.S. $0.7680, but recovered somewhat over the second half and finished the year at U.S. $0.8138, down 3.5 per cent from the end of 1981. In contrast to its performance against the U.S. dollar, the Canadian dollar appreciated against all other Group-of-Ten currencies in 1982, rising 7.9 per cent over the course of the year in terms of a trade-weighted average of these currencies.

Official operations in the foreign exchange market continued to be directed towards maintaining orderly trading conditions. This involved large

Table 6.8
Canada's Balance of International Payments

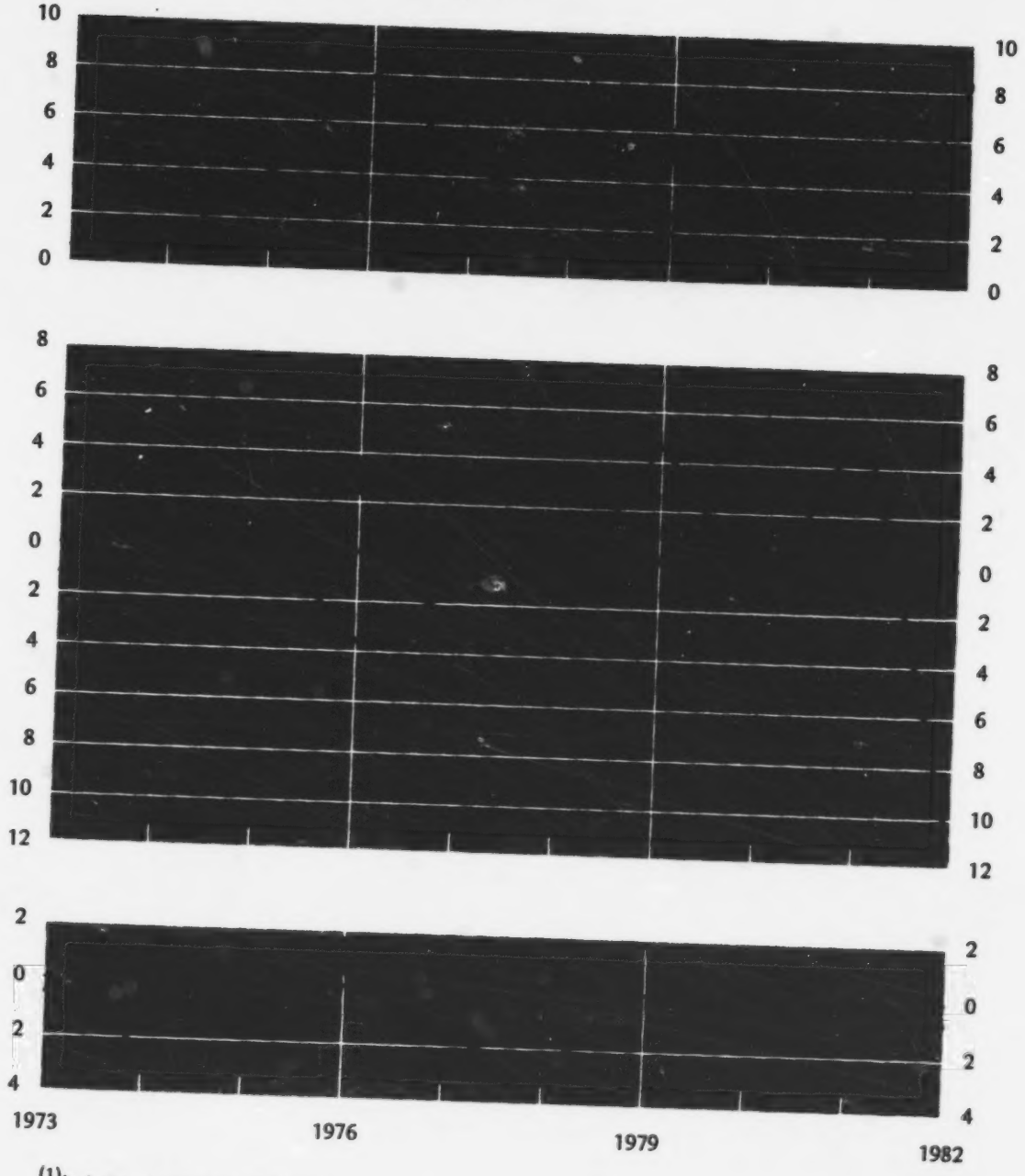
	1976	1977	1978	1979	1980	1981	1982
				(billions of dollars)			
Current account balance	– 3.8	– 4.3	– 4.9	– 5.0	– 1.1	– 5.3	2.7
Merchandise balance	1.4	2.7	4.0	4.1	8.5	7.4	17.7
Services balance	– 5.8	– 7.4	– 9.0	– 9.7	– 10.8	– 14.3	– 16.5
Net transfers	0.5	0.4	0.0	0.7	1.2	1.6	1.4
Long-term capital flows	8.0	4.2	3.1	1.9	0.9	0.6	8.6
Direct investment in Canada	– 0.3	0.5	0.1	0.7	0.6	– 4.6	– 1.4
Direct investment abroad	– 0.6	– 0.7	– 2.1	– 2.5	– 3.1	– 5.9	0.2
New issues of Canadian securities	9.0	5.9	6.4	5.1	5.5	13.5	16.0
Other	– 0.1	– 1.4	– 1.2	– 1.4	– 2.1	– 2.4	– 6.2
Short-term capital flows	0.1	0.7	1.2	6.9	– 0.7	15.1	– 9.4
Change in the chartered banks' foreign currency position	– 0.9	1.4	2.8	4.1	1.4	18.0	– 4.4
Non-bank holdings of short-term funds abroad	– 0.3	– 0.7	– 0.7	0.1	– 0.5	– 6.7	– 3.1
Other	1.4	– 0.1	– 0.9	2.7	– 1.6	3.8	– 1.9
Errors and omissions	– 3.7	– 2.0	– 2.7	– 2.2	– 0.6	– 9.1	– 2.5
Total capital flows (including errors and omissions)	4.4	2.9	1.6	6.7	– 0.4	6.6	– 3.3
SDR allocation	0.0	0.0	0.0	0.2	0.2	0.2	0.0
Net official monetary movement	0.5	– 1.4	– 3.3	1.9	– 1.3	1.4	– 0.7
Official international reserves	0.5	– 1.4	– 0.2	– 0.9	– 0.5	0.4	– 0.7
Official monetary liabilities	0.0	0.0	– 3.1	2.8	– 0.7	– 1.0	0.0

Note: Balances may not add due to rounding.
Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

sales of foreign exchange in May and June, when the Canadian dollar came under sharp downward pressure, and sizeable purchases subsequently, as this pressure reversed. These operations, along with foreign currency borrowings and repayments of debt incurred for reserve management purposes, accounted for the bulk of the transactions affecting Canada's official international reserves in 1982. At the end of 1982, reserves stood at U.S. $3,793 million, down U.S. $578 million from the end of 1981.

Chart 6.3

Canadian Balance of International Payments

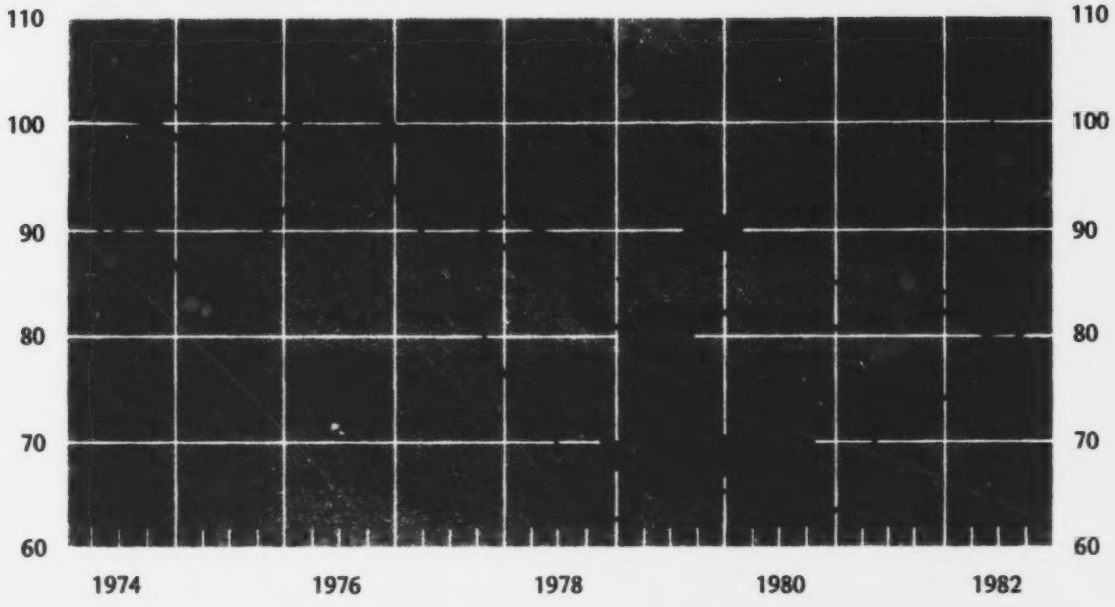


(1) Includes net errors and omissions.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, quarterly, cat. 67-001.

Chart 6.4

Price Indexes for the Canadian Dollar Relative to the Currencies of the Group of Ten Countries,(1) 1971 = 100



(1) The various currencies are weighted to reflect each country's average share of Canada's foreign trade between 1977 and 1981. The Group of Ten (G-10) includes Germany, Belgium, Canada, the United States, France, Italy, the Netherlands, the United Kingdom, Sweden, Japan and Switzerland.

Source: Bank of Canada, *Review*, monthly and Department of Finance.

7. The Government Sector

This chapter examines developments in the government sector of the economy during 1982. The budget balance positions, revenues and expenditures of the federal government, provincial-local-hospital sector, the Canada and Quebec Pension Plans and the total government sector are reviewed. Information on governments' financial requirements, public debt and debt management is also provided.[1]

Federal Government

As shown in Table 7.1 the federal deficit on a national accounts basis rose to $21.1 billion in 1982 compared to $8.0 billion in 1981. This significant increase reflects weak growth in revenues combined with continued growth across most expenditure categories.

Table 7.2 indicates that federal revenue rose only 1.8 per cent in 1982, compared with 25.8 per cent in 1981. The main sources of weakness were direct taxes on corporations and indirect taxes. The decline in corporate taxes, reflecting the depressed state of corporate profits, was partially offset by an increase in the petroleum and gas revenue tax (PGRT) and the new incremental oil revenue tax (IORT) which became effective in January 1982. The PGRT increased because of an increase in the effective tax rate in 1982 and higher wellhead oil and gas prices.

The decline in indirect tax revenue was led by petroleum compensation charges due to lower average tax rates and oil demand in 1982. Including the special petroleum compensation charges of 1981, the average rate fell from $43.36 per cubic metre in 1981 to $39.64 in 1982. Prominent revenue declines also occurred in the oil export charge and customs import duties. The rate of the oil export charge fell sharply in 1982 as domestic oil prices moved closer to international prices. The decline in customs import duties primarily reflects lower imports as well as the continuing impact of the rate reductions from multilateral trade negotiations. Sales tax revenue declined in 1982 due to the lower nominal tax

[1] Unless otherwise stated, the information in this chapter is based on national accounts calendar year data.

Table 7.1
Federal Government Revenue, Expenditure and Net Position (National accounts basis)

	Revenue		Expenditure		Surplus or deficit (–)
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)	(millions of dollars)
1974	29,978	31.4	28,869	28.8	1,109
1975	31,703	5.8	35,508	23.0	– 3,805
1976	35,313	11.4	38,704	9.0	– 3,391
1977	36,509	3.4	43,812	13.2	– 7,303
1978	38,390	5.2	49,075	12.0	– 10,685
1979	43,541	13.4	52,805	7.6	– 9,264
1980	50,646	16.3	60,799	15.1	– 10,153
1981	63,737	25.8	71,716	18.0	– 7,979
1982	64,874	1.8	85,957	19.9	– 21,083

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Table 7.2
Federal Government Revenue
(National accounts basis)

	1981		1982	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Direct taxes – persons				
Personal income taxes	23,021	20.3	25,847	12.3
Employer/employee contributions to government pension funds	1,372	14.4	1,595	16.3
Employer/employee contributions to unemployment insurance	4,702	50.5	4,811	2.3
Total	29,096	24.0	32,254	10.9
Direct taxes – corporations				
Corporate income taxes	7,419	– 11.9	5,097	– 31.3
Petroleum and gas revenue tax	980	n.a.	1,436	46.5
Incremental oil revenue tax	—	—	212	n.a.
Total	8,399	– 0.3	6,745	– 19.7
Non-resident tax	1,110	11.6	1,178	6.1
Indirect taxes				
Sales and other excise taxes	6,755	12.6	6,480	– 4.1
Oil export charge	975	14.7	702	– 28.0
Customs import duties	3,485	11.6	2,876	– 17.5
Excise duties	1,171	19.0	1,241	6.0
Gasoline excise tax	448	1.6	408	– 8.9
Petroleum compensation charges	4,266	456.2	3,161	– 25.9
Natural gas and gas liquids tax	845	n.a.	1,232	45.8
Canadian ownership special charge	629	n.a.	945	50.0
Other[1]	264	12.8	279	5.7
Total	18,838	55.3	17,324	– 8.0
Investment income	5,349	11.1	6,294	17.7
Other revenue[2]	945	14.5	1,079	14.2
Total revenue	63,737	25.8	64,874	1.8

[1] Other indirect taxes include the airport tax, western grain stabilization levy and miscellaneous indirect taxes.
[2] Other revenue includes other transfers from persons and capital consumption allowances.
n.a.: not applicable.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

base, particularly for consumer durables and investment goods. The strongest revenue increase was for the natural gas and gas liquids tax due to a rate increase effective February 1982. The increase in gross revenue from the Canadian ownership special charge merely reflects the fact that the levy did not begin until May 1981; the 1981 total therefore represents less than a full year effect.

Direct taxes on persons rose 10.9 per cent in 1982. Personal income taxes rose 12.3 per cent – larger than the 9.7-per-cent increase in personal income because of the substantial growth in 1981 in investment income on which much of the associated income tax was not paid until 1982. Employee-employer contributions to the unemployment insurance fund rose marginally in 1982. Employee-employer contribution rates fell in 1982 and employment declined during the year. These two factors largely offset the 11-per-cent growth in maximum earnings subject to contribution and the overall growth of labour income. Investment income was also a prominent source of revenue growth in 1982, mainly due to interest on publicly-held funds.

As shown in Table 7.3, total federal expenditure increased 19.9 per cent in 1982. Expenditure on goods and services rose 13.9 per cent and the total amount spent on wages and salaries advanced 17.0 per cent; growth in federal employment to handle increased demands on social programs was a major contributing factor. There was a considerable increase in gross capital formation in 1982, partly the result of an abnormally low level in 1981 due to inventory liquidation and partly because of construction activities related to employment-creation programs initiated in 1982. In addition, the government also increased its purchases of rolling stock for grain transportation in 1982. Transfers to persons, led by the rapid increase of 78 per cent in unemployment insurance benefits, grew by over 30 per cent in 1982. Subsidies declined in 1982. Petroleum compensation payments fell off, due largely to the decline in the difference between the world and domestic price of oil and partly to a decline in oil imports, but other subsidies grew rapidly mainly because of increased requirements for rail activities. Capital assistance more than doubled as petroleum incentive program payments were paid retroactively for 1981 as well as for 1982. The growth of transfers to non-residents reflects the government's commitment to increase foreign aid to 0.5 per cent of GNP by mid-decade. The decline in interest rates from their peak 1981 levels was partially offset by increased borrowing requirements in 1982. As a result, the growth of interest on the public debt was 23.1 per cent in 1982 following a rise of 38.3 per cent in 1981. The growth of transfers to other levels of government increased. Canada Assistance Plan payouts were up as a result of the lower level of economic activity in 1982. Payments under the Established Programs Financing arrangements were down substantially in 1982 due to large prior years' adjustments and to the elimination of the revenue guarantee under the new federal-provincial agreement. Fiscal arrangements payments went up, partly as a result of prior years' adjustments. Other transfers to other levels of government grew rapidly because of a population adjustment payment to the provinces of $226 million.

Table 7.4 extends the national accounts balance to include loans and other transactions, and thus to arrive at the financial requirements of the federal government. Financial requirements (excluding foreign exchange transactions) were $617 million less than the national accounts deficit in 1982 mainly because the "cash versus accruals" category provided a substantial source of funds of $2,736 million. Loans, investments and advances and other transactions constitued a net requirement for funds of $1,156 million. Other transactions include a $1,292 million requirement for the provincial tax collection account – a deposit and trust account which is credited with estimated provincial income tax collections and from which payments are made to the provinces participating in the tax collection agreements.

Debt Management

Debt management in 1982 was characterized by the large debt program undertaken by the federal government in response to its sizeable financial requirements. As indicated in Table 7.5, the Government of Canada raised $18.1 billion in net new funds in domestic markets in 1982 which exceeded the amounts borrowed in either 1980 or 1981 and increased the outstanding Government of Canada direct and guaranteed securities to $107.3 billion at the end of 1982. Of this $18.1 billion, $5.0 billion was raised through the

Table 7.3
Federal Government Expenditure
(National accounts basis)

	1981		1982	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Final demand expenditure				
Current goods and services				
Wages and salaries	10,080	19.1	11,798	17.0
Other[1]	6,285	17.8	6,838	8.8
Total	16,365	18.6	18,636	13.9
Gross capital formation	1,029	2.1	1,493	45.1
Total	17,394	17.4	20,129	15.7
Transfers to persons				
Family allowances	1,958	8.1	2,204	12.6
OAS/GIS benefits	8,213	17.0	9,304	13.3
Unemployment insurance benefits	4,862	12.2	8,633	77.6
Other[2]	3,752	13.5	4,503	20.0
Total	18,785	14.1	24,644	31.2
Subsidies				
Petroleum compensation payments	4,468	13.8	2,877	– 35.6
Other[3]	2,026	26.8	2,772	36.8
Total	6,494	17.6	5,649	– 13.0
Capital assistance	760	7.3	2,288	201.1
Transfers to non-residents	859	6.8	1,039	21.0
Interest on the public debt	13,351	38.3	16,440	23.1
Transfers to other levels of government				
Canada Assistance Plan	2,223	21.7	2,650	19.2
Fiscal arrangements	4,154	10.6	5,346	28.7
Established Programs Financing	5,194	4.7	4,667	– 10.1
Extended Health Care	704	10.9	814	15.6
Other[4]	1,798	8.8	2,291	27.4
Total	14,073	9.7	15,768	12.0
Total expenditure	71,716	18.0	85,957	19.9

[1] Other goods and services include expenditure on currently produced goods and services, capital consumption allowances and capital expenditure for defence.
[2] Other transfers to persons include veterans' pensions and allowances, government pensions and transfers to native groups.
[3] Other subsidies include payments to the C.B.C., transportation subsidies and agricultural subsidies.
[4] Other transfers to other levels of government includes grants to municipalities and territories in lieu of taxes, DREE grants to the provinces and bilingualism grants.

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Table 7.4
Federal Government Financial Transactions[1]
(Extended national accounts presentation)

	1981	1982
	(millions of dollars)	
Deficit (national accounts basis)	– 7,979	– 21,083
Loans and other transactions		
Loans, investments and advances[2]	– 1,043	– 1,156
Cash versus accruals[3]	884	2,736
Other transactions	915	– 963
Net source or requirement(–)	756	617
Financial requirements (excluding foreign exchange transactions)	– 7,223	– 20,466
Foreign exchange transactions[4]	– 1,345	2,272
Total financial requirements	– 8,568	– 18,194
Unmatured domestic debt transactions[5]	12,078	18,060
Change in cash balance	3,510	– 134
Level of cash balances at end of period	7,660	7,526

(1) The national income and expenditure accounts balances are subject to revision, and the loans and other transactions series are derived from unaudited monthly data. Any imprecision in these items would also affect the residually determined cash versus accruals series.
(2) The "loans and other transactions" category includes loans to financial intermediary Crown corporations and other agencies which are not considered part of the federal government in the national accounts.
(3) In arriving at the national accounts surplus or deficit, certain items such as corporate income tax liabilities and the oil export charge are calculated on an accrual basis. This adjustment is required to convert the transactions to a cash basis.
(4) Source or requirement (–).
(5) The unmatured debt transactions do not include foreign currency borrowings. Such borrowings are recorded in foreign exchange transactions and influence the government's Canadian dollar cash balances only to the extent that such funds are used to purchase Canadian currency in foreign exchange markets.
Source: Department of Finance.

issue of Treasury bills, $4.9 billion through marketable bonds, and $8.1 billion through net issues of Canada Savings Bonds (CSBs).

Between 1975 and 1980 the government reduced its dependence on CSBs as a source of new borrowed funds with the result that the proportion of CSBs to the total debt in Canadian dollars fell from about 42 per cent to 23 per cent. During this period the government encouraged an increase in holdings of its marketable debt by the non-bank investing public. However, since 1980 the proportion of CSBs in the debt structure has been increasing, rising to 31.4 per cent in 1982 from 28.7 per cent in 1981 and 22.8 per cent in 1980. This development reflects both the decision by the government to increase the use of CSBs as a source of funds and the fact that market interest rates fell during both the 1981 and 1982 CSB campaigns, making the CSB rate very attractive and resulting in very large net sales. The decision to rely more heavily on CSBs reflected a change in method of pricing whereby current yields were set for the first year and minimum yields for all subsequent years of these two issues.

The $4.9 billion in new funds raised through the issue of marketable bonds was slightly higher than the amount realized in 1981. With falling interest rates market conditions improved, which meant that Canada bond issues were generally well received throughout the year and particularly so during the second half of 1982. While inves-

Table 7.5
Outstanding Government of Canada Direct and Guaranteed Securities (Denominated in Canadian dollars)

	Treasury bills		Marketable bonds		Canada Savings Bonds		Total
	(billions of dollars)	(per cent)	(billions of dollars)	(per cent)	(billions of dollars)	(per cent)	(billions of dollars)
1975	6.2	16.4	15.9	41.9	15.8	41.5	37.9
1976	7.8	18.6	17.7	42.0	16.6	39.4	42.2
1977	10.3	20.6	21.6	43.0	18.3	36.4	50.2
1978	13.1	22.6	24.8	42.7	20.2	34.7	58.1
1979	15.2	23.2	31.6	48.1	18.9	28.7	65.7
1980	20.7	26.9	38.8	50.2	17.6	22.8	77.1
1981	20.7	23.2	43.0	48.2	25.6	28.7	89.2
1982	25.7	24.0	47.9	44.6	33.7	31.4	107.3

Source: Bank of Canada, *Review*, monthly.

tors remained hesitant to commit funds to the long-term bond market and continued to direct their funds towards extendible bonds during the first eight months of the year, the last quarter saw longer-term bonds being well received. Of particular note was the successful development of a 10-year market during the latter part of 1982, attracting, among others, investors who had previously been willing to commit themselves to no more than five years.

The marketable bond program consisted of 11 issues in total, three more than in 1981. Only 15.6 per cent of the bonds issued in 1982 had a term to maturity in excess of 10 years, compared with 24.0 per cent in 1981. Of total marketable bonds issued, extendible bonds accounted for 25.2 per cent or $2.3 billion in 1982, compared to 61.0 per cent in 1981. The extendible issues had an initial maturity of four to five years and are exchangeable, at the option of the holder, for bonds bearing the same interest coupon and maturing five years later.

The $5.0 billion raised through the issue of Treasury bills was in contrast to 1981 when no net funds were raised through Treasury bills. In part, the increased use of Treasury bills throughout 1982 reflected the expectation that interest rates would decline, making it advantageous to issue short-term debt. As a percentage of debt outstanding, Treasury bills increased slightly to 24.0 per cent from 23.2 per cent in 1981.

As indicated in Table 7.6, the non-bank general public continued to play a significant part in the government's debt program, increasing its holdings of Government of Canada debt by $16.9 billion in 1982, compared to $11.2 billion in 1981. With an attractive rate of return on CSBs, this sector's holdings of these securities increased by about $8 billion in 1982. The general public purchased, on balance, $8.1 billion of CSBs, while purchasing $8.8 billion of marketable Government of Canada securities. This sector's holdings of marketable debt increased to $44.6 billion, or 61 per cent of outstanding domestic marketable debt at the end of 1982, from $35.8 billion at the end of 1981.

In the fall of 1982, the CSB campaign produced gross sales of $11.2 billion compared to $12.8 billion in 1981. Net sales during the campaign period, after allowance for redemptions of outstanding issues, amounted to $9.6 billion compared to $11.5 billion in 1981. The terms of the CSBs announced on October 7, 1982 offered a rate of 12.0 per cent in the first year and a minimum of 8.5 per cent in each of the remaining six years.

The government undertook a number of foreign currency loans in bond markets in 1982. In March the government borrowed 400 million Swiss francs (U.S. $213 million) through a private placement in the Swiss capital market. The five-year issue, at 7.25 per cent, was a partial rolling

Table 7.6
Non-Bank General Public Holdings of Government of Canada Direct and Guaranteed Securities (Denominated in Canadian dollars)

	Treasury bills		Marketable bonds		Canada Savings Bonds		Total
	(billions of dollars)	(per cent)	(billions of dollars)	(per cent)	(billions of dollars)	(per cent)	(billions of dollars)
1975.....	—	—	5.7	26.4	15.8	73.6	21.5
1976.....	1.4	5.8	6.2	25.6	16.6	68.6	24.2
1977.....	2.7	9.2	8.3	28.3	18.3	62.5	29.3
1978.....	3.8	10.7	11.6	32.5	20.2	56.8	35.6
1979.....	4.0	9.9	18.1	44.1	18.9	46.0	41.0
1980.....	7.6	15.1	25.0	49.8	17.5	35.1	50.2
1981.....	6.8	11.1	29.0	47.2	25.6	41.7	61.4
1982.....	12.4	15.8	32.2	41.1	33.7	43.0	78.3

Source: Bank of Canada, *Review*, monthly.

over of a maturing 700 million Swiss franc syndicated bank loan. On April 29, 1982 there was a partial rollover of a 400 million Deutschemark loan that was to mature on April 30, 1982. The new DM 200 million single maturity public offering had a maturity date of April 30, 1989 and a coupon rate of 8.50 per cent. In June, a U.S. $750 million Eurodollar issue was undertaken with a five-year term to maturity and a 14.75 per cent coupon. The bonds were dated June 16, 1982 and have a maturity date of June 16, 1987.

There were also several drawings made in 1982 on the standby lines of credit with Canadian and foreign banks to bolster foreign currency reserves. In April, a drawing of U.S. $500 million was made under the $3 billion standby credit facility with the U.S. and other foreign banks, while in May a drawing of U.S. $300 million was made under the $3.5 billion standby credit facility with the Canadian chartered banks. Four drawings were made on the credit facilities in June totalling U.S. $1 billion under the U.S. and foreign facility and U.S. $600 million under the Canadian facility. By year end all of these loans had been repaid so that no drawings were outstanding on either credit facility. In addition in 1982 the standby agreement with the foreign banks was renegotiated and the size of the facility increased $1 billion to $4 billion.

The reference tables provide details of new issues and retirements of Government of Canada marketable debt in 1982 and changes in marketable securities and CSBs outstanding.

While changes in the borrowing requirements are discussed above on a calendar year basis, data on public debt are shown in the public accounts on a fiscal year basis. Federal government domestic unmatured debt transactions and foreign borrowings increased total unmatured debt outstanding by $11.1 billion in 1980-81 and $9.2 billion in 1981-82 as indicated in the reference tables. As a percentage of GNP, total unmatured debt outstanding decreased from 28.7 per cent in 1980-81 to 27.9 per cent in 1981-82. Net debt increased from 28.0 per cent of GNP in 1980-81 to 28.6 per cent in 1981-82. Net debt charges (gross public debt charges less returns on investment) increased from 2.3 per cent of GNP in 1980-81 to 3.0 per cent in 1981-82 while gross debt charges increased from 3.7 per cent of GNP to 4.6 per cent over the same time period.

Financial requirements for the first nine months of fiscal year 1982-83 were $18.3 billion, while actual financing over the same period was $19.2 billion. As shown in Table 7.7 Treasury bills represented 33.2 per cent of the actual financing while marketable bonds represented 21.2 per cent and CSBs made up 45.6 per cent.

Table 7.7
Government of Canada Financial Requirements and Sources of Financing, Fiscal 1982 (April 1 – December 31, 1982) (Public accounts presentation)

	(millions of dollars)	(per cent)
Financial requirements (excluding foreign exchange transactions)	– 19,662	
Foreign exchange transactions	1,411	
Total financial requirements	– 18,251	
Treasury bills	6,350	33.2
Marketable bonds	4,080	21.2
Canada Savings Bonds	8,726	45.6
Total sources of financing	19,156	100.0

Source: Department of Supply and Services, *Statement of Financial Operations*, December, 1982.

Provincial and Local Governments

The fiscal situation of the provincial-local government sector (including hospitals) in 1982 was also dominated by the recession. Government revenue bases across Canada have turned out to be significantly lower than had been commonly anticipated at the start of 1982. Greater numbers of people were unemployed and an increasing proportion of those who had exhausted their unemployment insurance benefits became social welfare recipients, thereby increasing shared cost payments under the Canada Assistance Plan. Although net migration to western Canada slowed, western population continued to grow more rapidly than that of the rest of the country. Provincial-local government employment continued to grow at about 2 per cent per annum, reflecting in part these demographic developments in western Canada.

Total provincial-local financial liabilities increased further in 1982 largely reflecting increased borrowing requirements. While this sector benefited from the substantial decline in long-term interest rates in the second half of 1982, average effective interest rates on provincial-local debt continued to rise, as maturing bonds issued at lower rates 10 to 15 years ago were refinanced at prevailing interest rates. Provinces were able to meet their borrowing requirements without placing undue pressure on domestic credit markets; competing private credit demands in Canada were weak and substantial borrowing was done in foreign markets. Two provinces had their bond ratings downgraded in 1982 while others felt threatened by the possibility of such action. Some provinces reacted with plans to stop further hiring or reduce their staff, and two provinces allowed their Crown enterprises to resume electricity price increases. Several provinces offset part of the cyclical increase in their deficit with discretionary tax increases in 1982. Notable exceptions were Alberta and Saskatchewan where tax cuts of $1.1 billion were made, dominated by reductions in taxes on the oil and gas industry. As well, Saskatchewan, like Alberta, now has no motive fuel tax.

As in previous recessions, the provincial-local government tax and income security payment structure acted as an automatic stabilizer, contributing significantly to the increase in this sector's deficit. However, the preliminary estimate of the increase in the provincial-local sector's budgetary deficit during the 1979-1982 downswing, equivalent to 0.9 percentage points of GNP, is less than the increase experienced during the shorter and milder recession of the mid-1970s although the increase then was equivalent to 1.3 percentage points of a smaller GNP. The growth in Crown enterprise capital formation was

also smaller than in the mid-1970s. Future revisions by Statistics Canada may narrow this difference. These revisions can be substantial; for example, Statistics Canada's original estimate of a 1981 provincial-local surplus of $2,058 million was subsequently revised down to $707 million and further downward revisions are possible.

Preliminary estimates of the provincial-local budgetary positions are given in Table 7.8 for the economically weak years of 1974-1975 and for the period 1979-1982. Relative to gross domestic provincial product, the deficits of the Atlantic provinces exceed those of central Canada. The resource revenues of Saskatchewan and Alberta are a major factor accounting for their surpluses. While the estimates for 1982 in Statistics Canada's experimental provincial economic accounts are not scheduled for publication until early 1984, other indicators point to a continuation of these inter-provincial differences.

Component detail of provincial-local sector revenues and expenditures is given in Table 7.9. The cash impacts on provincial own-source revenues resulting from provincial and federal discretionary tax changes are summarized in Table 7.10. The "budgetary" and "non-budgetary" financial asset acquisitions of the provincial-local sector are presented in Table 7.11 along with net new direct financial liabilities and corresponding flows for provincial Crown enterprises.

Provincial-local total revenues rose 10.8 per cent in 1982. About one-quarter of this increase was attributable to increased federal tax and cash transfers to provinces, whose growth rate slightly exceeded provincial-local own-source revenues. Cash transfers under the Established Programs Financing (EPF) arrangements were affected by the legislated change to the EPF arrangements to eliminate compensation for termination of the 1972 revenue guarantee; on the other hand, equalization, Canada Assistance Plan payments and other transfers each grew substantially in 1982.

Table 7.8
Provincial-Local Government (Including Hospitals) Revenue, Expenditure and Net Position Summary (National accounts basis)

	1974	1975	1979	1980	1981	1982
	(in millions of dollars, except where noted)					
Revenues	32,360	37,426	64,818	72,192	81,188	90,003
(percentage change)	(23.5)	(14.7)	(12.3)	(11.4)	(12.5)	(10.8)
Expenditures	32,715	39,673	63,250	71,216	80,481	91,346
(percentage change)	(21.1)	(21.3)	(11.2)	(12.6)	(13.0)	(13.5)
Surplus or deficit	– 85	– 2,247	1,568	976	707	– 1,343
of which						
Newfoundland	– 58	– 100	– 57	0	– 17	n.a.
Prince Edward Island	– 3	1	– 34	– 36	– 13	n.a.
Nova Scotia	– 32	– 75	– 134	– 49	– 321	n.a.
New Brunswick	– 23	– 92	– 41	– 43	– 59	n.a.
Quebec	– 304	– 685	– 1,378	– 2,523	– 2,543	n.a.
Ontario	– 390	– 1,586	376	343	279	n.a.
Manitoba	– 26	– 71	– 43	33	– 85	n.a.
Saskatchewan	145	5	147	237	305	n.a.
Alberta	626	587	2,283	2,800	2,652	n.a.
British Columbia	28	– 215	477	209	495	n.a.
Yukon and Northwest Territories	– 48	– 16	– 28	10	14	n.a.

n.a.: Not available until January 1984.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; and *Provincial Economic Accounts*, annual, cat. 13-213; and Department of Finance.

Table 7.9
Provincial-Local Government (Including Hospitals)
Revenue and Expenditure Components
(National accounts basis)

	1974	1975	1979	1980	1981	1982
	(millions of current dollars)					
Revenue–total[1]	32,630	37,426	64,818	72,192	81,188	90,003
Own-source revenue total[1]	26,465	29,756	53,064	59,361	67,115	74,235
Direct taxes–persons[1]	6,051	6,993	13,500	15,197	18,729	20,772
Direct taxes–corporations[1]	2,039	2,114	3,162	3,757	3,267	2,316
Indirect taxes –retail sales tax	3,491	3,549	5,548	6,100	6,953	7,868
–local property tax	4,561	5,291	8,690	9,404	10,387	11,632
–other[2]	4,329	4,720	7,721	8,480	9,721	11,364
Investment income –royalties	1,538	1,904	4,526	5,524	5,598	6,272
–interest	1,557	2,030	4,346	4,746	5,377	5,926
Other own-source revenue[3]	2,899	3,215	5,571	6,153	7,083	8,085
Federal cash transfers–total	6,165	7,670	11,754	12,831	14,073	15,768
Expenditure–total	32,715	39,673	63,250	71,216	80,481	91,346
Final demand–total	24,879	30,228	45,980	51,987	58,561	66,190
Wages and salaries	14,356	17,557	28,461	32,702	37,228	42,479
Other current goods and services[4]	6,009	7,442	10,973	11,947	13,036	14,510
Capital formation	4,514	5,229	6,546	7,338	8,297	9,201
Transfers to persons	4,680	5,739	9,762	11,167	12,744	14,107
Subsidies and capital assistance	692	873	1,793	1,818	2,035	2,251
Interest on the public debt	2,464	2,833	5,715	6,244	7,141	8,798
Surplus or deficit–total	– 85	– 2,247	1,568	976	707	– 1,343

(1) Includes federal personal and corporate income tax transfers to provinces.
(2) Consists of fuel, tobacco, liquor, motor vehicle license and miscellaneous indirect taxes.
(3) Consists of transfers from persons and capital consumption allowances.
(4) Consists of medicare, capital consumption allowances and other non-wage current goods and services.
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

As a percentage of GNP, own-source provincial-local revenues increased 1.0 percentage points in 1982. Increases in personal direct taxes, indirect taxes, and investment income more than offset the decline in direct taxes on corporations as a percentage of GNP. Direct taxes on corporations fell 29 per cent in 1982.

Factors contributing to the growth in personal direct taxes were the increased share of personal income in GNP; the personal income tax rate increases in Newfoundland, Nova Scotia and New Brunswick; the introduction of a special surtax and payroll tax in Manitoba; the withdrawal of some tax credits in British Columbia; and the net effect of the tax changes proposed in the November 12, 1981 budget with subsequent adjustments (see Table 7.10).

The increase in indirect taxes as a percentage of GNP reflected retail sales tax increases in Newfoundland, Nova Scotia, New Brunswick, Quebec and Ontario; Nova Scotia's shift from specific to *ad valorem* motive fuel taxation; increased tobacco and/or alcohol taxes in most of these same provinces and Manitoba and Saskatchewan; the introduction of a capital tax on financial institutions in Newfoundland and increases in the same tax category by Quebec, Manitoba and British Columbia; and higher insurance premiums in Newfoundland and Manitoba. In the aggregate, these factors outweighed Saskatchewan's removal of its motive fuel tax.

Provincial-local investment income grew faster than GNP in 1982. The increase in interest income can be explained by an increase in the

Table 7.10
Estimated Impacts on Provincial Government Own-Source Revenues in 1982 of Discretionary Tax Measures

	Saskatchewan and Alberta	Other provinces	Total
	(millions of dollars)		
Direct taxes–persons			
Federal	n.a.	n.a.	177[1]
Provincial	—	195[2]	195[2]
Direct taxes–corporations			
Federal	n.a.	n.a.	164[1]
Provincial	– 525	– 167[2]	– 692[2]
Indirect taxes–provincial	– 80	648	568
Retail sales	– 2	460	458
Fuel	– 82	23	– 59
Tobacco	4	58	62
Alcohol	—	79	79
Other	—	28	28
Transfers from persons–provincial	—	118	118
Investment income–provincial	– 508	—	– 508
Total			
Federal	n.a.	n.a.	341
Provincial	– 1,113	794	– 319
Total	n.a.	n.a.	22

[1] Federal measures of the November 12, 1981 budget and subsequent adjustments. The estimate for the impact on direct taxes-corporations is lowered $135 million because Ontario chose not to parallel certain corporate tax measures.

[2] Excludes Quebec's paralleling of the federal measures of the November 12, 1981 budget, as subsequently modified, which are included in the federal total. Excludes Quebec's partial indexation of its personal income tax and the full indexation of the other provinces' personal income tax.

n.a.: Not available

Source: Department of Finance.

stock of financial assets and the high level of interest rates that generally prevailed throughout 1982. The growth in royalties was accounted for by a 35.6-per-cent increase in the average wellhead price of oil, a 5.6-per-cent increase in the average wellhead price of natural gas, and a 5.4-per-cent growth in the volume of gas demand. These more than offset discretionary royalty reductions valued at $508 million in 1982 by Alberta and Saskatchewan on oil, natural gas and pentanes.

Direct taxes on corporations declined from the equivalent of 1.0 per cent of GNP in 1981 to 0.7 per cent in 1982, reflecting the decline in corporate profits before taxes. In addition, Ontario abolished its corporate income tax on small business for a two-year period; Manitoba decreased its small business tax rate; and Alberta increased its royalty tax credit. These corporate tax cuts more than offset rate increases in Newfoundland and Nova Scotia and the impact on the provinces of the corporate tax increases in the federal budget of November 12, 1981.

Provincial-local government expenditures rose 13.5 per cent in 1982. As a share of GNP, expenditures rose to 26.2 per cent in 1982 compared to 24.3 per cent in 1981. Of this 2-percentage-point increase, wages and salaries accounted for about one-half. The remainder was spread over increases in other final demand components, transfers to persons, subsidies and capital assistance and interest on the public debt.

Table 7.11
Provincial-Local Government (Including Hospitals) and Crown Enterprise Borrowing Requirements and Financing[1] (Financial flow accounts basis)

	1975	1979	1980	1981	Jan. – Sept. 1981	Jan. – Sept. 1982
			(millions of dollars)			
Requirements						
Direct government						
Budgetary surplus or deficit (–)	– 2,247	1,568	976	707	1,081	256
Net new claims on associates (–)	– 1,581	– 981	– 1,114	– 2,318	– 1,370	– 1,934
Increases in cash and deposits (–)	625	– 2,650	132	– 3,041	– 3,450	– 1,870
Other net new financial assets[2] (–)	– 2,622	– 2,861	– 7,072	– 4,767	– 1,049	– 3,371
Discrepancy (–)	– 741	– 641	– 83	– 1,085	– 1,839	– 2,577
Total government	– 6,566	– 5,565	– 7,161	– 10,504	– 6,627	– 9,496
Crown enterprises						
Unremitted profits and provision for depreciation	619	2,300	2,410	2,656	2,096	1,796
Capital formation (–)	– 5,683	– 7,450	– 7,760	– 9,715	– 7,098	– 8,287
Surplus or deficit (–)	– 5,004	– 5,150	– 5,350	– 7,059	– 5,002	– 6,491
Net new claims on associates (–)	– 114	– 90	– 337	– 114	– 42	– 60
Increases in cash and deposits (–)	– 289	936	199	– 1,358	– 1,183	– 1,021
Other net new financial assets[2] (–)	– 1,237	– 2,302	– 2,461	– 1,936	– 1,232	– 1,860
Discrepancy (–)	– 43	97	648	882	1,022	1,969
Total Crown enterprises	– 6,747	– 6,509	– 7,301	– 9,585	– 6,437	– 7,463
Total requirements	– 13,313	– 12,074	– 14,462	– 20,089	– 13,064	– 16,959
Net new borrowing						
Bank and other short-term	1,806	2,403	2,161	2,256	1,422	1,159
Net new claims to associates	2,202	1,783	2,318	3,331	2,170	2,789
Other (excluding bonds)	705	465	– 32	621	490	1,424
Bonds, by holder-total	8,600	7,423	10,015	13,881	8,982	11,587
Canada Pension Plan	1,390	1,896	1,901	2,196	1,745	2,228
Provincial and Local Governments and Crown enterprises[3]	1,569	1,370	4,245	4,798	3,296	3,863
Persons and unincorporated business	153	1,627	963	– 592	672	– 1,261
Insurance, pensions and other Canadian	2,027	1,823	2,568	1,974	1,666	1,704
Rest of world	3,461	707	338	5,505	2,651	5,053
Total borrowing	13,313	12,074	14,462	20,089	13,064	16,959

[1] Since complete data for 1982 will not be available until after the *Review* is published, this table provides information for the selected calendar years through 1981 and, for comparison purposes, for the first nine months of 1981 and 1982.

[2] Consists of net new acquisitions of second-hand "non-financial" assets, trade receivables, other loans, Treasury bills, finance and other short-term paper, mortgages, federal direct and Crown enterprise bonds, provincial and local government direct and Crown enterprise bonds, corporate and other bonds, stocks, and other financial assets.

[3] Includes Caisse de dépôts and other provincial government financial institutions.

Source: Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002.

As a percentage of GNP, provincial-local wages and salaries rose by 1.0 percentage point in 1982, reflecting a 2-per-cent increase in employment combined with a wage rate increase which was slightly greater than the rate of increase in the GNP price deflator. Western employment and wage rate growth continued to exceed growth in central and eastern Canada. For the sector as a whole, employment in health care and public administration rose 3 to 3.5 per cent, while that in education rose one-half per cent in the first eight months of 1982 compared to the corresponding period a year earlier.

The larger share of GNP going to provincial-local transfers to persons – up 0.2 percentage points – reflects the fact that, although welfare payments per recipient are only partially indexed, more people were receiving welfare assistance as a result of the recession.

Provincial-local public debt charges as a percentage of GNP rose by 0.3 percentage points in 1982, reflecting a large increase in the stock of financial liabilities and an increase in the effective rate of interest on the provincial-local debt stock.

Estimated borrowing requirements of about $20 billion in 1982 were approximately evenly divided between the provincial and local governments themselves and Crown enterprise borrowing. As shown in Table 7.11, in the first three quarters of 1982 direct and guaranteed borrowing requirements increased nearly $4 billion compared to the same period a year earlier. This amounted to a 1.2-percentage-point increase in the ratio of borrowing requirements to GNP. Indications are that the 1982 total as a percentage of GNP will not be quite as high as during the 1975 slowdown, however. Of the increase in direct and guaranteed borrowing in 1982, about one-third reflected an increase in budgetary deficits and the remaining two-thirds reflected non-budgetary disbursements, Crown enterprise capital formation in excess of retained earnings and net new liquid assets acquisition. An increase in provincial and local government bond holdings by non-residents offset the decline in holdings by resident persons and unincorporated business. Average new provincial long-term bond yields eased from their late-1981 record of 18.7 per cent to 17.4 per cent in mid-1982, and then fell markedly to 12.5 per cent by year-end.

Canada and Quebec Pension Plans

The surpluses of the Canada and Quebec Pension Plans (C/QPP) totalled $3.8 billion in 1982, increasing $547 million in the year. As Table 7.12 shows, there was a slight fall in the rate of growth of total expenditures and a more rapid growth of total revenues. Most of the surplus funds of the CPP are borrowed by the provincial governments; these borrowings amounted to $2.2 billion for the first nine months of 1982.

The national accounts statistics indicate that in 1982 CPP contributions increased 21.8 per cent. However, part of the recorded increase in CPP contributions in 1982 reflects a technical adjustment for previous years' allocations of personal direct tax revenues between income taxes and contributions to the CPP. The trend in the growth of the contributions depends primarily upon the growth in the average level of earnings from employment and the yearly maximum contributory earnings, which increased 12.0 per cent to $14,900 in 1982. A second source of revenue for the C/QPP is investment income. Investment income of both the CPP and the QPP rose strongly in 1982 due to the increasing balances in the accounts and high interest rates.

Total C/QPP expenditures, including benefits and administrative expenses, grew 22.4 per cent in 1982. Although the total number of CPP beneficiaries increased only 6.8 per cent in 1982, total CPP benefits paid to beneficiaries increased 24 per cent. In part, this difference reflects the 12.3-per-cent indexation factor applicable to CPP benefits in 1982. As the pension plans mature, more of the growth in C/QPP expenditures will be accounted for by indexation and underlying demographic changes. Also, as the plans mature, an increasing fraction of beneficiaries will have contributed to the plan for at least 10 years and will therefore be eligible for maximum benefits. Of those receiving a retirement pension at age 65, the proportion receiving a pension of $250 or more per month increased to 69 per cent in 1982 from 55 per cent in 1981.

Total Government Sector

Information on the revenue, expenditure, and budget balance position of the consolidated government sector is presented in Tables 7.13 to 7.15. The deficit for the total government sector

Table 7.12
Canada and Quebec Pension Plans
Revenue, Expenditures and Net Position
(National accounts basis)

	1981		1982	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Revenue				
Contributions				
CPP	3,008	15.5	3,665	21.8
QPP	963	2.8	1,085	12.7
Investment				
CPP	1,797	21.8	2,176	21.1
QPP	765	17.2	890	16.3
Total revenue	6,533	15.2	7,816	19.6
Expenditure				
Goods and Services				
CPP	89	53.4	76	– 14.6
QPP	31	6.9	47	51.6
Benefits to residents				
CPP	2,322	22.0	2,873	23.7
QPP	828	24.7	1,006	21.5
Benefits to non-residents	16	23.1	20	25.0
Total expenditure	3,286	23.2	4,022	22.4
Surplus				
CPP	2,378	13.0	2,872	20.7
QPP	869	– 3.1	922	6.1
Total surplus	3,247	8.2	3,794	16.8

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

increased by $14.6 billion in 1982 after decreasing approximately $2 billion in 1981. The severity of the economic contraction in 1982 was reflected in the slowdown in the rate of growth of total revenue to 6.9 per cent. Table 7.14 shows that all of the major components of government revenue, except investment income, experienced slower rates of growth in 1982 as the recession eroded tax bases. Slower growth in personal and corporate taxes reflects slower growth of personal and corporate income. The reduction in the rate of growth of indirect taxes reflects absolute declines in federal indirect taxes for energy, sales taxes and customs duties. The faster growth of investment income reflects the higher average rates of interest which prevailed in 1982 relative to 1981.

There was a marked shift in growth patterns for revenues and expenditures in 1982 relative to 1981. In 1981 revenues grew more rapidly than expenditures while in 1982 expenditures grew more rapidly than revenues. Reflecting the depth of the recession during 1982, expenditures by the consolidated government sector grew 17.1 per cent. The growth in expenditures by the consolidated government sector was dominated both in percentage terms and in dollar terms by the increase in federal transfers to persons. Interest on the public debt also grew sharply although

Table 7.13
Total Government Revenue, Expenditure and Net Position
(National accounts basis)

	Revenue		Expenditure		Surplus or deficit (–)
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)	(millions of dollars)
1975	64,239	9.3	68,288	22.0	– 4,049
1976	73,496	14.4	76,718	12.3	– 3,222
1977	81,310	10.6	86,315	12.5	– 5,005
1978	89,489	10.1	96,881	12.2	– 7,392
1979	101,472	13.4	106,475	9.9	– 5,003
1980	115,676	14.0	121,851	14.4	– 6,175
1981	137,385	18.8	141,410	16.1	– 4,025
1982	146,925	6.9	165,557	17.1	– 18,632

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

falling interest rates during the latter part of the year accounted for a slowing in the growth of public debt charges.

While the federal government budget deficit, which has persisted since 1975, rose $13.1 billion in 1982, much of the 1982 increase can be attributed to the effects of the recession on revenues and expenditures. Although the provincial-local-hospital sector had been in surplus since 1977, a recession-induced swing between 1981 and 1982 of $2.1 billion moved it into a deficit position as well. The balance of the consolidated government sector (including the C/QPP accounts), which has been in deficit since 1975, deteriorated by $14.6 billion in 1982. As in previous issues of the *Economic Review*, the reference tables contain estimates of government budget balances on a cyclically-adjusted basis.[2]

In order to provide a long historical perspective on federal budget balances, Chart 7.1 presents the federal government's budget balance and estimates of net fixed-value liabilities, both expressed as a percentage of GNP, since 1926.[3]

Although comparisons between points distant in time should be treated cautiously, it is noteworthy that while the federal deficit as a share of GNP reached a peacetime historical high in 1982, the ratio of net fixed-value indebtedness to GNP is considerably lower than that recorded in earlier periods. The ratio of net fixed-value indebtedness to GNP trended down sharply between the war years and the early 1970s and only recently has reached the levels recorded in the late 1950s. Similar trends would also be exhibited by the federal debt-to-GNP ratio.

[2] The effect of cyclical and other factors in interpreting and assessing the federal deficit is discussed at length in the background paper to the April 19, 1983 budget, *The Federal Deficit in Perspective*.

[3] The year 1926 has been chosen as the initial year simply because it is the first year that the national accounts are available. From 1961 to 1981, estimates of net fixed-value liabilities are obtained from the *Financial Flow Accounts*; for other years, by accumulation or decumulation of national accounts deficits or surpluses with respect to the estimates of net fixed-value liabilities.

Table 7.14
Total Government Revenues
(National accounts basis)

	1981		1982	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Direct taxes–persons	51,796	22.8	57,776	11.5
Direct taxes–corporations	11,666	– 4.2	9,061	– 22.3
Indirect taxes	45,899	27.1	48,188	5.0
Investment income	18,886	9.7	21,558	14.1
Other revenue	9,138	14.6	10,342	13.1
Total revenue	137,385	18.8	146,925	6.9

Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

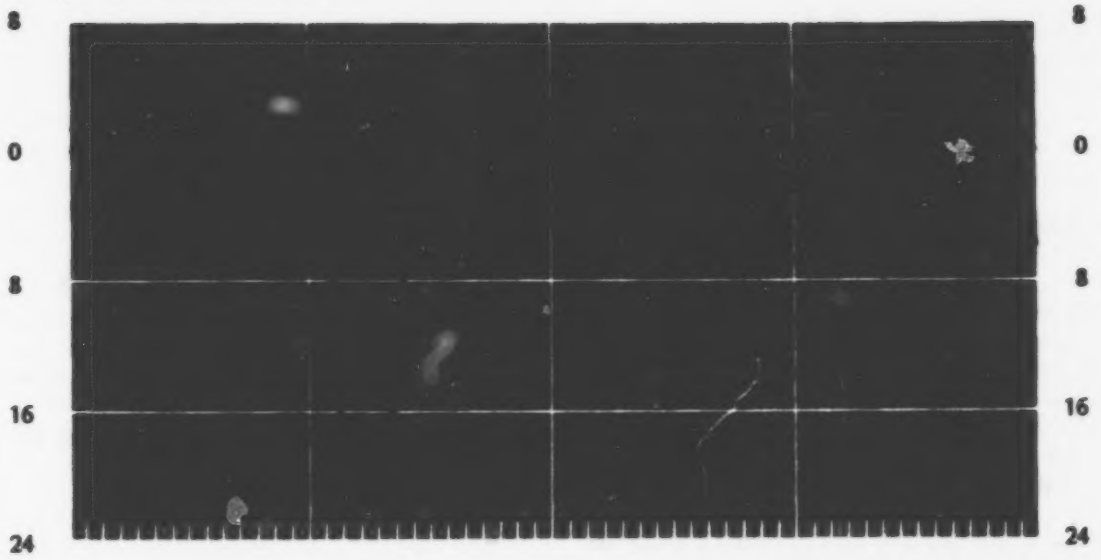
Table 7.15
Total Government Expenditures
(National accounts basis)

	1981		1982	
	(millions of dollars)	(percentage change)	(millions of dollars)	(percentage change)
Final demand expenditure				
Current goods and services				
Wages and salaries	47,308	14.9	54,277	14.7
Non-wage goods and services	19,441	11.9	21,471	10.4
Total	66,749	14.0	75,748	13.5
Gross capital formation	9,326	11.7	10,694	14.7
Total	76,075	13.7	86,442	13.6
Transfers to persons	34,679	14.8	42,630	22.9
Subsidies and capital assistance	9,289	15.4	10,188	9.7
Transfers to non-residents	875	7.1	1,059	21.0
Interest on public debt	20,492	28.9	25,238	23.2
Total expenditures	141,410	16.1	165,557	17.1

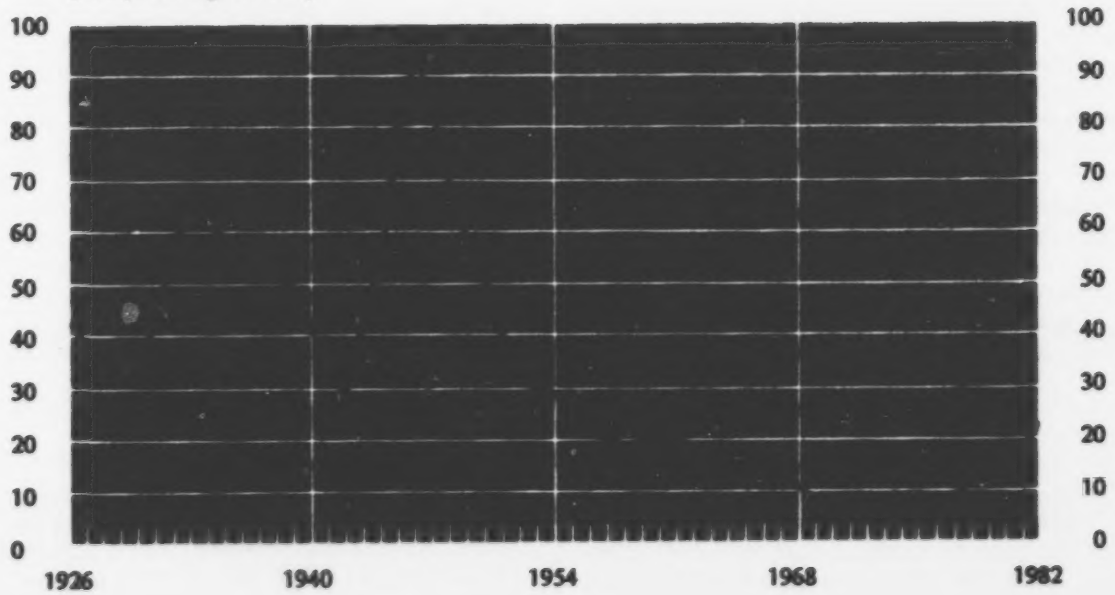
Source: Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

Chart 7.1

Federal Government National Accounts Balance
(As a percentage of GNP)



Federal Net Liabilities
(As a percentage of GNP)



Source: Statistics Canada, *National Income and Expenditure Account*, cat. 13-001; *Financial Flow Accounts*, cat. 13-563 and Department of Finance.

8. Financial Developments

During the first half of the year, Canadian short-term interest rates generally rose, while over the second half they fell dramatically. The increase in interest rates in the first six months of the year took place in the context of substantial downward pressure on the dollar, triggered by generally rising U.S. short-term interest rates. The first four months of the year saw a considerable narrowing of Canada-U.S. short-term interest rate differentials relative to their levels in the second half of 1981. In May and June, however, interest rate differentials rose significantly as Canadian rates moved up very sharply, but despite this development the dollar plunged to its historical low level of U.S. $0.7680 in June.

In the last two quarters, the U.S. Federal Reserve Board's more accommodative policy, together with further deceleration of U.S. inflation, resulted in sharp declines in interest rates in the U.S. Reflecting this development, Canadian rates also fell. Initially the fall in Canadian rates was more gradual, leading once again to widening Canada-U.S. interest rate differentials. This, together with the strong improvement in the balance of trade, provided some strength to the dollar in the second half of the year. Interest rate differentials narrowed by the end of the year as the deceleration in inflation became more marked in Canada.

Long-term bond yields, unlike short-term interest rates, fell in the early months of the year. They increased significantly between May and June and thereafter trended downward. Declines in the yields on short-term maturities were more pronounced than those of long-term maturities and as a result the yield curve resumed an upward slope by the year end.

Funds raised in the capital market in 1982 were influenced by the recessionary environment and by historically high interest rates through most of the year. Total borrowings by the private sector were $19.3 billion, down $39.2 billion from a year ago. This represents an unprecedented decline in total demand for credit by private sector borrowers. The public sector's demand for credit, however, rose considerably during the year as the continued weakness of the economy lowered tax revenue while simultaneously raising cyclically sensitive public expenditure. Reflecting the sharp deceleration in demand for credit by the personal and business sectors, total assets of financial institutions experienced a lacklustre growth.

Short-term Interest Rates

Since 1975, the Bank of Canada has been following a policy of gradually reducing the rate of growth of the money supply by affecting the demand for money through its influence on short-term interest rates. The policy indicator used for this purpose had been M1 – a narrow measure of the money supply defined as the sum of currency held outside chartered banks plus demand deposits. However, during most of 1982 monetary policy was importantly influenced by other domestic and international economic and financial developments. M1 had been an inconsistent indicator for quite some time due to the instability of the relationships between M1, levels of aggregate demand and interest rates. A key difficulty in the use of M1 as an indicator of the stance of monetary policy was the continuing and major shifts out of M1 balances, induced by financial innovations such as daily interest accounts and improved corporate cash management. There was an additional, although temporary, problem with the use of M1 during 1982. This consisted of a statistical difficulty of measuring M1 arising from a new reporting system for chartered banks introduced on November 1, 1981. As a consequence, the Bank of Canada announced on November 29, 1982 that it no longer had a specific target for the growth of M1. For somewhat similar reasons, the Federal Reserve Board in the U.S. has been attaching much less weight to movements in M1 since October, 1982.

Although quarterly and annual growth rates of M1 during 1982 are presented in Table 8.1, one must be aware of the distortions in M1 balances alluded to earlier. As far as some broader measures of money supply, M2 and M3, are concerned, they grew somewhat sharply in the first quarter while their growth was below historical levels in the remaining quarters of the year.

In the first six months of the year, short-term interest rates generally rose and peaked in June,

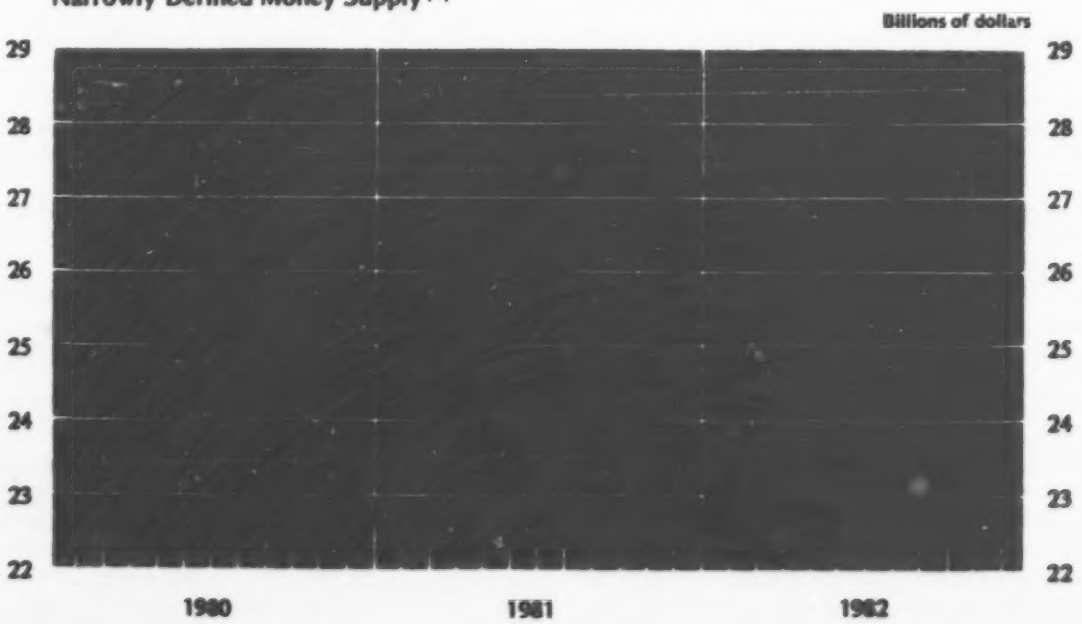
Table 8.1
Monetary Growth and Interest Rates

	Annual			Quarterly 1982[1]			
	1980	1981	1982	Q1	Q2	Q3	Q4
	(percentage change)						
Money supply[2]							
M1	6	4	2	14	7	– 7	8
M2	18	15	15	19	12	4	4
M3	14	12	15	19	7	6	5
Interest rates	(per cent)						
3-month Treasury bills	12.8	17.7	13.7	14.7	15.5	13.9	10.6
Corporate bonds	13.3	16.3	15.9	17.0	17.1	16.0	13.4
Real interest rate[3]	3.0	5.9	3.4	3.8	4.6	3.8	1.2

(1) Seasonally adjusted at an annual rate.
(2) Rate of change based on average level for the period over the preceding period.
(3) Estimates of real interest rates are obtained as differences between the 90-day commercial paper rate and the concurrent rate of increase in the seasonally adjusted CPI.
Source: Bank of Canada, *Review*; and Department of Finance.

Chart 8.1

Narrowly Defined Money Supply[1]



(1) Currency outside banks plus demand deposits (M1).
(2)(3) The parallel bands are two per cent on either side of a trend line depicting a 7-per-cent and a 6-per-cent annual increase, respectively.

Source: Bank of Canada, *Review*, monthly.

some 200 basis points higher than in January. After June, interest rates fell and continued to trend downward over the remaining months of the year. Nearly all short-term interest rates fell by about 650 basis points over the July-December period. As in 1981, short-term interest rate fluctuations during 1982 were wide by historical standards.

Financial developments in the U.S. were an important influence on Canadian interest rates during the year. In the January-June period, the Federal Reserve Board reacted to the rapid growth of the U.S. money supply at the end of 1981 by tightening credit conditions. This led to a 200-basis-point increase in U.S. short-term interest rates in the first quarter. Canadian interest rates adjusted relatively slowly and, as a consequence, Canada-U.S. short-term interest rate differentials narrowed significantly during this period. For example, the rate differential for 90-day paper, which averaged 322 basis points in the last quarter of 1981, moved to 82 basis points in the first quarter of 1982. In the second quarter, interest rate differentials widened somewhat as Canadian rates showed a large upward adjustment. In the second half of the year, U.S. interest rates fell sharply as the Federal Reserve Board adopted a more accommodating policy stance. However, U.S. rates declined much more rapidly through this period than did Canadian interest rates. As a consequence, short-term rate differentials once again widened significantly, particularly during the July-September period, as indicated in Chart 8.2.

The decline in interest rates in Canada during the second half of 1982 also reflected a marked deceleration in inflation which, measured by the month-to-month change in the CPI, averaged 0.5 per cent per month during the second half of 1982 compared to monthly increases of 1 per cent in the first half of the year. In addition, the strength of the Canadian dollar resulting from an improvement in the current account and favourable long-term capital flows allowed further declines in interest rates.

Long-term Interest Rates

The yields on long-term securities fell during the first five months of 1982, rose significantly between May and June and then declined sharply over the remaining months of the year (see Chart 8.3). On balance, yields on long-term government bonds fell 358 basis points over the year, although at times they rose above 16 per cent while by the year end they were as low as 11.69 per cent. The underlying factors for these shifts were U.S. long-term bond yields, Canadian short-term interest rates, and domestic inflation.

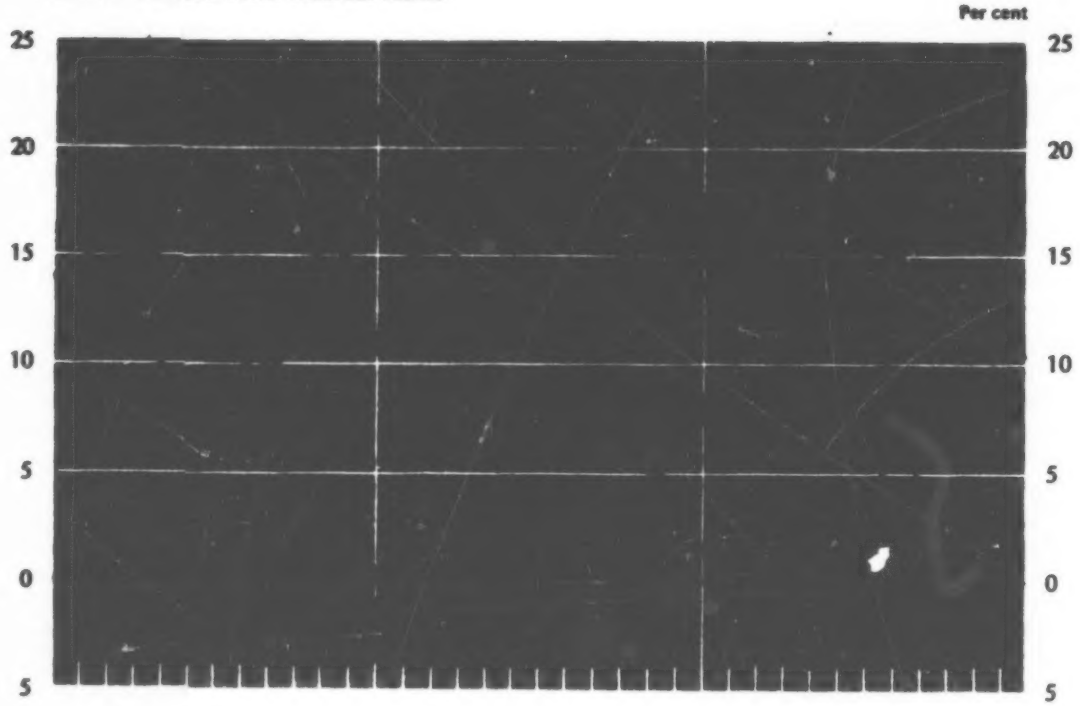
In the first five months of 1982, the fall in Canadian bond yields reflected declines in U.S. long-term rates, despite continuing domestic inflation and an increase in short-term interest rates. The declines in Canadian rates were somewhat larger than those in the U.S. as the declines in U.S. bond yields were constrained due to a sharper increase in U.S. short-term interest rates over the period November 1981 to March 1982 and heavy U.S. Treasury borrowing. As a consequence, long-term interest rate differentials between the two countries narrowed. In June, Canadian long-term interest rates rose substantially, outweighing the earlier declines of the year. For example, yields on long-term government bonds rose to 16.03 per cent in June from 14.72 per cent in May, compared with 15.94 per cent in January.

In the second half of the year, Canadian short-term rates fell sharply as domestic inflation declined significantly. At the same time, long-term bond yields in the U.S. also fell dramatically. The combination of these factors produced a 434-basis-point decline in the average yield on long-term government bonds in this period.

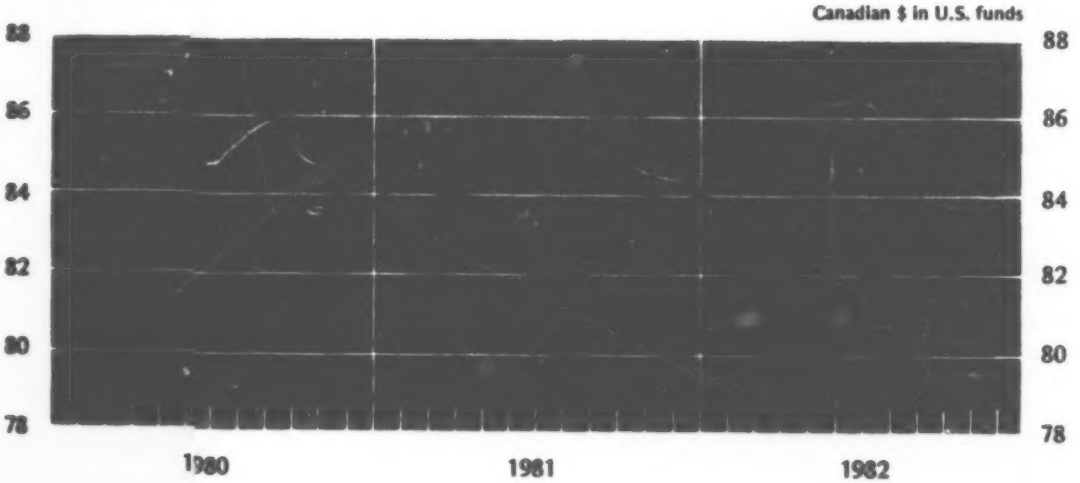
As shown in Chart 8.4, the yield curve on Government of Canada bonds changed considerably during 1982. At the beginning of the year, the yield curve was about flat, indicating some expectation that future short-term interest rates would stay level. The increase in short-term rates during the first half of the year, however, resulted in a slightly inverted yield curve. Towards the latter part of the year, the yield curve began to slope gradually upward as a result of sharp declines in short-term interest rates and smaller declines in long-term bond yields. The smaller decline in rates in the long end of the market might be related to continued investor uncertainty about inflation and other economic factors in the long run.

Chart 8.2

Selected Short-Term Interest Rates



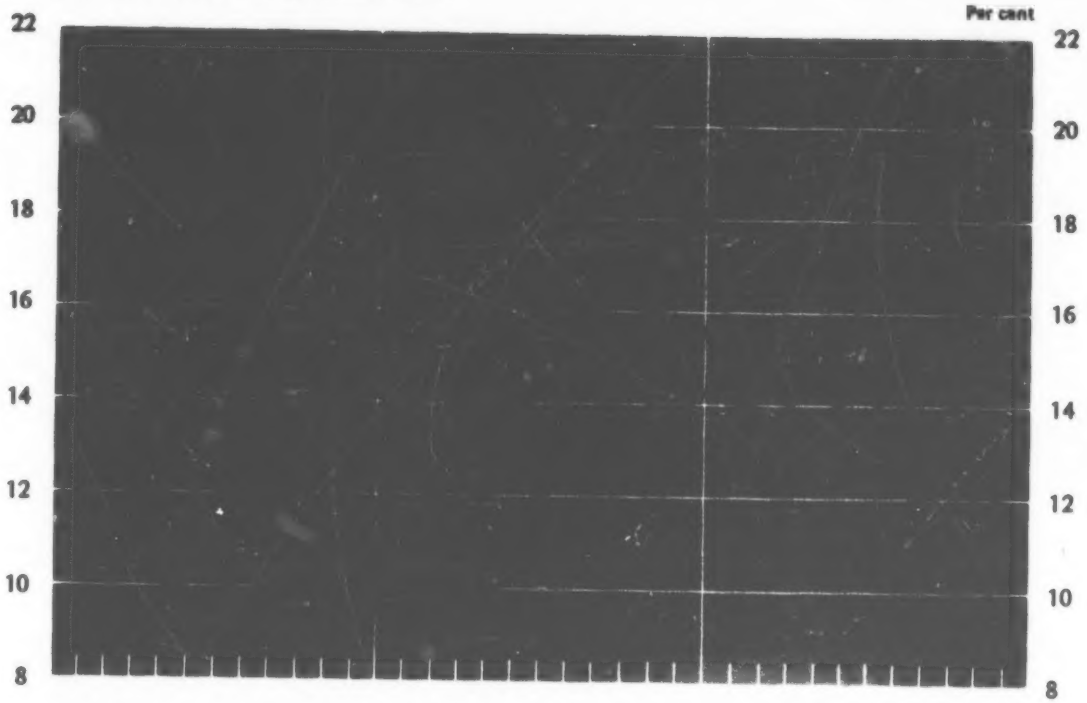
Exchange Rate



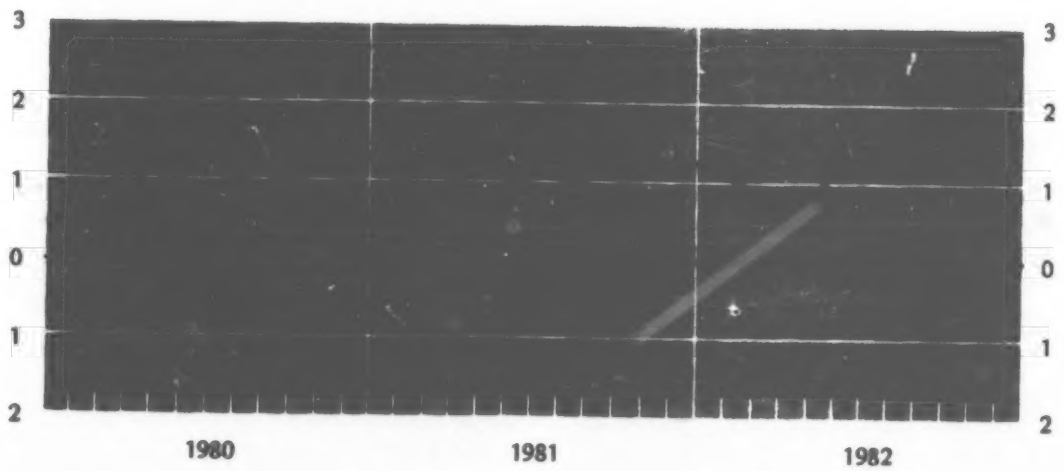
Source: Bank of Canada, *Review*, monthly.

Chart 8.3

Selected Long-Term Interest Rates



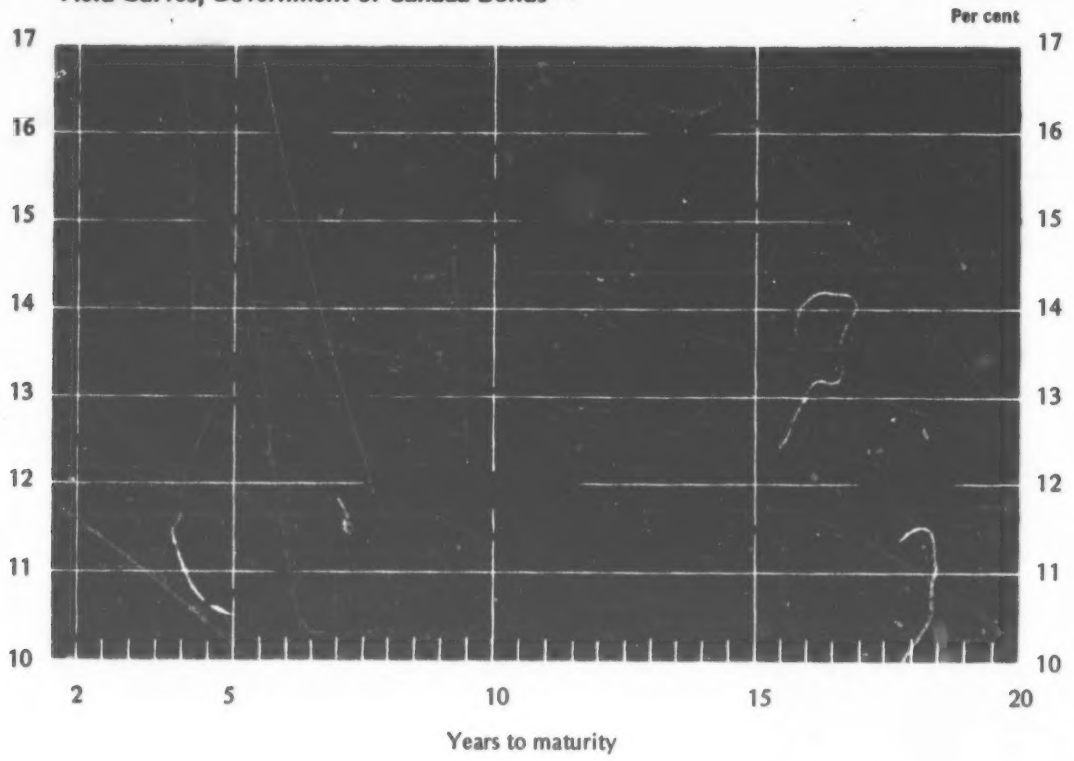
Canada – U.S. Long-Term Differential



Source: Bank of Canada, *Review*, monthly.

Chart 8.4

Yield Curves, Government of Canada Bonds (1)



(1) The yield curves were drawn using the month-end observation for various maturities of Government of Canada bonds.

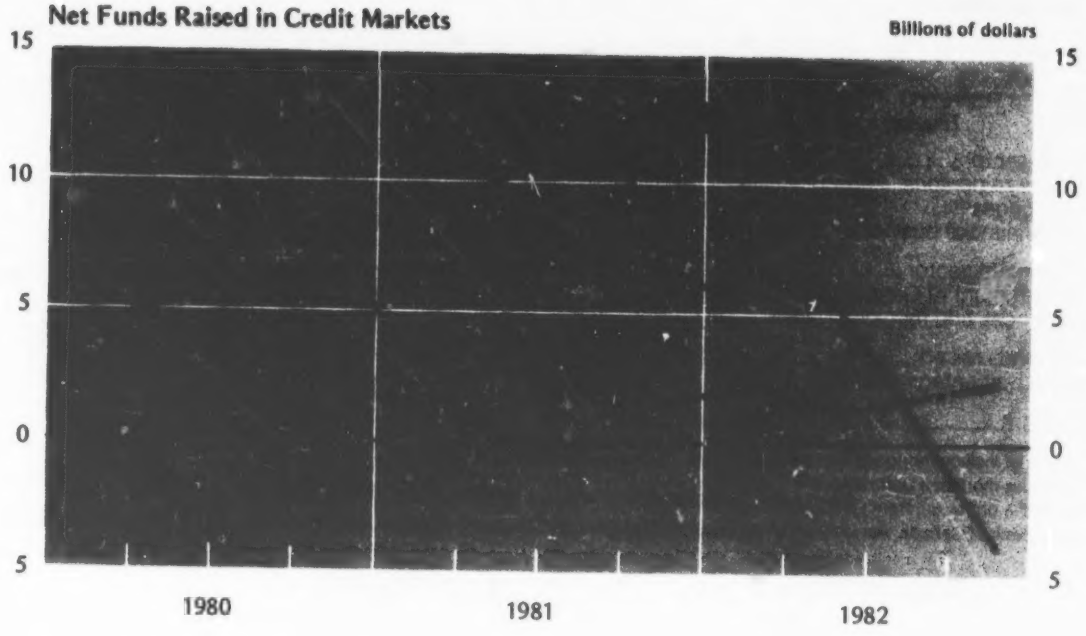
Source: Department of Finance.

Interest Rates and Inflation

Inflation-adjusted or real rates of interest may be useful indicators of the degree of tightness in financial markets, as they are generally believed to be more directly linked to decisions related to aggregate expenditure. There are many ways in which real rates can be measured. In fact, various real rate series can differ substantially, depending on which nominal interest rate is considered and how borrowers' and lenders' price expectations are measured. The definition of short-term real rates used here is the difference between the average rate on 90-day paper and the year-over-year percentage change in the seasonally-adjusted CPI. Using this measure, short-term real rates averaged 2.7 per cent during 1961-1970, a period of relatively stable prices, while increasing inflationary pressures experienced over the 1970s resulted in real rates falling to very low levels. In fact, during the period from late 1972 to early 1977, real rates were generally negative as the inflation rate often turned out to be higher than the concurrent nominal interest rate. After that period real rates rose significantly and were especially high in the middle two quarters of 1981. During the first half of 1982, real rates averaged between 4 and 5 per cent and fell continuously thereafter, averaging as low as 1.2 per cent in the last quarter of the year. This was the lowest level of real rates since the third quarter of 1980. During the year, short-term real rates were quite volatile, although this volatility was less pronounced than in 1981.

Chart 8.5

Net Funds Raised in Credit Markets



Source: Statistics Canada, *Financial Flow Accounts;* Bank of Canada, *Review,* monthly.

Like short-term real rates, long-term real rates, measured by the difference between the average government long-term bond yield and the year-over-year percentage change in the seasonally-adjusted CPI, were also very high during 1982. However, compared to 1981, they exhibited much less volatility.

Financial Markets in 1982

The volume of funds raised in Canadian financial markets, as shown in Table 8.2, fell $33.8 billion to $47.9 billion, representing a sharp 41.9-percent decline from a year ago. The reduction in private sector borrowing was even more pronounced – down $39.2 billion – while the federal, provincial and local governments raised larger amounts of funds in 1982. The slowdown in business sector borrowing was largely related to reduced takeover activity, although it is evident that the recession had also reduced this sector's willingness and ability to take on additional debt obligations. Demand for consumer credit was also severely affected by high unemployment and the weak growth in disposable income during the year. Encouraged by substantially lower interest rates in the second half of the year, many borrowers lengthened their term structure of debt significantly. In addition, there was a large pickup in equity issues in the fourth quarter which led to an improvement in debt-equity ratios. As indicated in Table 8.3, the volume of funds raised in long-term markets during 1982 was $27.2 billion, only $2.0 billion below the 1981 level. Short-term borrowing, however, fell $31.5 billion to $21.1 billion.

Non-financial Business Sector

The weak demand for credit by the non-financial business sector, as shown in Table 8.4, was a reflection of a slower pace of takeovers and a continuing sharp reduction in investment. Profits also fell substantially, recording a larger decline than in investment. A total of $15.6 billion was raised – the smallest amount since 1978 and substantially below the $43.3 billion raised in 1981. Funds raised in the short-term market through various instruments by this sector were particularly low in the last two quarters of the year, as shown in Table 8.5.

Table 8.2
Credit Expansion

	1979	1980	1981	1982
	(net flows, billions of dollars)			
Private sector	37.5	35.7	58.5	19.3
Loans to persons	5.1	4.7	4.2	– 1.3
Mortgages[1]	13.5	9.9	6.4	3.5
Non-financial business[2]	18.9	21.1	47.9	17.1
Government sector	13.0	17.9	23.2	28.6
Government of Canada	8.3	11.4	12.7	19.1
Provinces and municipalities[3]	4.7	6.5	10.5	9.5
Total funds raised	50.5	53.6	81.7	47.9
(as a percentage of GNP)	(19.1)	(18.3)	(24.5)	(13.4)

(1) Does not include mortgage borrowing from the government sector.
(2) Excludes mortgage borrowing.
(3) Excludes borrowing from CPP and QPP.
Source: Bank of Canada, *Review*; Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

Table 8.3
Credit Expansion by Instrument

	1979	1980	1981	1982
	(net flows, billions of dollars)			
Short-term instruments	20.4	24.1	52.6	21.1
Loans to persons	5.1	4.7	4.2	– 1.3
Chartered bank business loans	12.2	10.0	26.2	0.1
Foreign currency loans	0.5	2.1	11.4	3.0
Treasury bills and short-term paper	3.5	8.3	2.0	12.0
Canada Savings Bonds	– 1.3	– 1.3	8.1	8.0
Loans to provinces and municipalities	0.4	0.3	0.7	– 0.7
Long-term instruments[1]	30.0	29.7	29.2	27.2
Marketable bonds	13.0	15.8	18.7	20.3
Mortgages[2]	13.5	9.9	6.4	3.5
Equities	3.5	4.0	4.1	3.4
Other instruments	0.1	– 0.2	– 0.1	– 0.4
Total funds raised	50.5	53.6	81.7	47.9

(1) Excludes borrowing by private financial institutions. Data for 1982 are estimates of the Department of Finance.
(2) Does not include mortgage borrowing from the government sector.
Source: Bank of Canada, *Review*; Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

Table 8.4
Private Non-Financial Business Borrowing

	1979	1980	1981	1982
	(net flows, billions of dollars)			
Total	19.6	21.7	43.3	15.6
Short-term	14.2	14.8	39.6	9.6
Bank loans	12.7	12.2	37.7	3.1
(of which foreign currency loans booked in Canada)	(0.5)	(2.1)	(11.4)	(3.0)
Commercial paper and bankers' acceptances	1.5	2.6	1.9	6.5
Long-term	4.7	6.3	8.3	7.5
Bonds	1.2	2.3	4.2	4.1
Equities	3.5	4.0	4.1	3.4
Direct investment from abroad	0.7	0.6	– 4.6	– 1.5

Note: Data may not add due to rounding. Data for 1982 are estimates of the Department of Finance.
Source: Bank of Canada, *Review*.

Table 8.5
Selected Credit Measures

	Net flows						Outstanding stock December 1982
			Quarterly 1982				
	1981	1982	Q1	Q2	Q3	Q4	
	(billions of dollars)						
Chartered banks							
Business loans	26.3	0.1	1.1	1.2	0.7	– 3.0	89.1
Foreign currency	11.4	3.0	1.8	1.7	– 0.7	0.3	23.9
Bankers' acceptances	1.2	6.7	5.2	0.7	1.0	– 0.2	12.5
Total commercial paper	0.7	– 0.2	0.3	0.3	– 0.3	– 0.5	2.4
Total of above	39.6	9.6	8.4	3.9	0.7	– 3.4	127.9

Source: Bank of Canada, *Review*.

Firms raised slightly less funds in the long-term market in 1982 than in 1981. However, due to lower overall credit demand, long-term funds as a percentage of total borrowing increased. Funds raised through short-term instruments amounted to $9.6 billion, representing two-thirds of total funds raised. This is in sharp contrast to 1981 when business loans and other short-term borrowing amounted to $39.6 billion, 82 per cent of total business borrowing excluding direct investment in Canada.

Bond financing by the non-financial business sector amounted to $4.1 billion in 1982. Activity in the domestic bond market during the year was adversely affected both by uncertainty about inflation and by a relatively large number of downgradings of corporate bonds which took

place due to high debt-equity ratios and poor profits. However, over the July-December period, the corporate bond situation improved somewhat as a result of lower interest rates. A large proportion of the long-term borrowing consisted of foreign issues as corporations raised a record $3.2 billion abroad. The non-financial business sector raised only $3.4 billion in equity markets, mostly through retractable preferred shares. Most of the activity in the equity market took place in the last quarter of the year.

Securities Market

Total net sales of all forms of marketable securities fell to $24.6 billion from $25.1 billion in 1981 (see Table 8.6). Net borrowing through long-term instruments, after falling during the second quarter to the lowest level since late 1979, rebounded to somewhat more normal levels in the last half of the year, while the Canadian money market continued to provide substantial amounts of funds to Canadian borrowers.

Equity markets in Canada continued to register major declines in virtually all areas during the first three quarters of 1982 but showed significant improvement in the fourth quarter. The dollar value of the shares traded on all Canadian stock exchanges fell 32.1 per cent to $22.1 billion while the volume declined 3.3 per cent to just under 3.3 billion shares. Net new issues of equities at $3.8 billion were down sharply compared with recent years. A large part of the new issues emerged in the last quarter of the year when interest rates fell substantially and stock prices rose sharply.

Personal Sector

Consumer credit balances outstanding decreased 3.6 per cent to $46 billion in 1982, similar to the decline in expenditure on consumer durables (Table 8.7). The reluctance of individuals to increase their level of indebtedness in an uncertain environment was a major factor in the weak demand for durable goods last year.

Table 8.6
Net New Issues of Marketable Bonds and Stocks

	1979	1980	1981	1982
	(net flows, billions of dollars)			
Federal bonds[1]				
Canada	6.9	7.2	4.2	4.5
Total	7.6	7.2	4.6	5.8
Provincial[2] and municipal bonds				
Canada	2.8	4.5	3.2	3.8
Total	4.2	4.6	8.6	9.7
Corporate and other bonds				
Canada	1.3	1.7	2.0	0.8
Total	2.8	3.9	6.3	5.3
Stocks				
Canada	4.4	4.9	5.5	3.6
Total	4.5	5.4	5.7	3.8
Total[3]				
Canada	15.3	18.3	14.9	12.8
Total	19.0	21.1	25.1	24.6

(1) Excludes securities held in government accounts, Treasury bills and savings bonds.
(2) Excludes savings bonds, bonds bought by provincial accounts and Canada Pension Plan. Includes bonds bought by the Caisse de dépôt et de placements de Québec.
(3) Includes issues by financial corporations.
Source: Bank of Canada, *Review*.

Table 8.7
Loans to Persons

	1979	1980	1981	1982
	(net flows, billions of dollars)			
Consumer credit				
Chartered banks	3.6	3.6	2.6	– 1.3
Other deposit-accepting institutions[1]	1.1	0.8	0.0	– 0.1
Other lenders[2]	0.1	0.2	1.0	– 0.3
Total	4.9	4.5	3.7	– 1.7
Other loans to persons[3]	0.2	0.2	0.6	0.4
Total loans to persons[4]	5.1	4.7	4.2	– 1.3
	(per cent)			
Percentage change in:				
Total consumer credit	14.0	11.3	8.4	– 3.6
Consumer expenditure	11.4	11.9	13.4	7.9
Consumer expenditure on durable goods	13.0	6.7	10.0	– 5.1

Note: Data may not add due to rounding. Data for 1982 are estimates of the Department of Finance.
(1) Credit unions and caisses populaires, Quebec savings bank, trust and mortgage loan companies.
(2) Department stores, sales finance and consumer loan companies and life insurance companies.
(3) Canada Savings Bond loans and trust and mortgage loan company secured loans.
(4) Excludes personal loans to purchase marketable securities and home improvement loans.
Source: Bank of Canada, *Review*; Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

In the first half of 1982, the demand for mortgages was quite weak as a result of the high cost of mortgage financing, the low rate of new housebuilding activity and slow turnover in the market for existing houses. However, mortgage demand improved somewhat during the second half of the year in response to government assistance programs and a significant decline in mortgage interest rates. The supply of funds allocated to longer-term mortgage loans remained fairly tight through most of 1982 but the situation improved as interest rates fell sharply during the last half of the year. By the end of the year, as much as 85 per cent of the mortgages issued by some trust companies were for three- and five-year terms, whereas earlier in 1982 the same proportion was accounted for by one-year term loans.

Some 650,000 mortgages were renewed last year, with the banks alone facing about 250,000 renewals compared to 100,000 renewals in 1981. Prepayments remained high by historical standards as most homeowners who renewed their mortgages in 1982 used savings and other resources to reduce their debt as much as possible. Many borrowers who renewed their mortgages also shortened amortization periods.

Chartered Banks

Total Canadian dollar major assets of the banking system grew only 1 per cent in 1982, down sharply from 22.8 per cent in the previous year. The net increase in business lending virtually halted after the record levels of 1981 as firms delayed or cancelled investment plans in an attempt to weather the recession (Tables 8.9 and 8.5). Corporations also shifted to other forms of financing, particularly in the second half of the year. Moreover, consumer credit declined as high personal loan rates and uncertain employment prospects forced many individuals to refrain from purchasing large durable goods. Lower mortgage rates, especially in the fourth quarter of the year, led to a small increase in mortgage lending in 1982. However, despite a $300 million increase in residential mortgage lending, the depressed levels of consumer credit and business loan demand resulted in a $100 million decline in less liquid assets of the banking system in 1982. The slow rate of credit expansion, the weakness of the economy and increased provisions for loan losses adversely affected the earnings of the chartered banks in 1982.

Table 8.8
Mortgage Lending

	1979	1980	1981	1982
	(net flows, billions of dollars)			
Private lending				
Chartered banks[1]	4.3	3.3	2.1	0.4
Trust and non-bank mortgage loan companies[2]	4.2	2.6	0.7	0.6
Credit unions and caisses populaires	2.3	1.6	0.7	0.0
Insurance and pension institutions	2.3	2.1	2.1	1.7
Other private lenders[3]	0.4	0.3	0.8	1.1
Sub-total	13.5	9.9	6.4	3.8
Government sector lending	0.3	0.9	1.3	1.3
Total[4]	13.8	10.8	7.7	5.1

Note: Data may not add due to rounding. Data for 1982 are estimates of the Department of Finance.
(1) Includes chartered bank mortgage loan affiliates. Excludes non-residential mortgage loans.
(2) Excludes chartered bank mortgage loan affiliates.
(3) Mutual funds, fire and casualty insurance companies, mortgage investment trust corporations, sales finance and consumer loan companies, Quebec savings banks, non-financial corporations and other private financial institutions.
(4) Excludes mortgage lending by persons and unincorporated businesses.
Source: Bank of Canada, *Review;* Statistics Canada, *Financial Flow Accounts,* quarterly, cat. 13-002; and Department of Finance.

Table 8.9
Chartered Bank Assets

	1979	1980	1981	1982
	(billions of dollars)			
Canadian liquid assets	0.6	– 0.1	0.3	1.7
Treasury bills	0.9	0.7	0.4	1.9
Other	– 0.3	– 0.8	– 0.1	0.2
Less liquid assets	20.6	17.7	34.2	– 0.1
Personal loans	3.6	3.6	2.6	– 1.3
Business loans	12.2	10.0	26.2	0.1
Mortgages	4.3	3.3	2.1	0.3
Other loans	0.1	0.4	0.9	– 0.5
Corporate securities	– 0.4	– 0.1	1.7	0.3
Other assets[1]	0.8	0.5	0.7	1.1
Total Canadian dollar major assets	21.2	17.6	34.5	1.7
(Percentage change)	(18.9)	(13.2)	(22.8)	(1.0)
Foreign currency loans to residents[2]	0.8	1.9	11.9	2.9
Government of Canada[2]	– 1.3	0.4	– 0.7	0.0
Other[2]	2.1	1.5	12.6	2.9
Foreign currency securities of residents[2]	0.1	– 0.3	0.8	1.9

Note: Data may not add due to rounding.
(1) "Other assets" includes non-residential mortgages.
(2) Foreign currency data are corrected to exclude the effect of changes in the exchange rate on the stock of series.
Source: Bank of Canada, *Review;* Statistics Canada, *Financial Institutions,* cat. 61-006; and Department of Finance.

Reflecting the world-wide recession and the increased risk and uncertainty in international financial markets, growth of foreign assets and liabilities of Canadian chartered banks slowed considerably during 1982.

Non-bank Financial Institutions

Total assets of the insurance companies and pension funds increased 13.2 per cent or $13.7 billion in 1982, as shown in Table 8.10. During 1982, these institutions continued to diversify their investment portfolios because of the slow growth in the demand for mortgages. Holdings of equities increased $2.1 billion and of bonds and short-term paper $6.6 billion. Uncertain market conditions also caused these institutions to adopt a more liquid position as they substantially increased their holdings of cash and short-term assets. Life insurance policy loans

Table 8.10
Change in Assets of Insurance Companies and Pension Institutions[1]

	1979	1980	1981	1982
		(billions of dollars)		
Currency and deposits	0.5	0.6	1.3	1.6
Loans	0.3	0.5	0.7	0.5
Mortgages	2.3	2.1	2.1	1.7
Bonds and short-term paper	7.0	6.6	6.5	6.6
Equities	0.8	2.4	2.3	2.1
Other assets	0.5	0.9	0.7	1.2
Total	11.3	13.1	13.6	13.7
(Percentage change)	(17.2)	(17.0)	(16.5)	(13.2)

Note: Data may not add due to rounding. Data for 1982 are estimates of the Department of Finance.
(1) Includes life insurance companies and trusteed pension plans.
Source: Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002; and Department of Finance.

Table 8.11
Change in Assets of Non-Bank Deposit-Accepting Institutions[1]

	1979	1980	1981	1982
		(billions of dollars)		
Currency and deposits	0.0	0.4	1.9	3.4
Consumer credit	1.1	0.8	0.5	−0.1
Other loans	0.6	0.6	0.8	0.1
Mortgages	8.0	7.1	6.4	4.2
Canadian marketable securities	1.3	3.2	1.2	1.1
Other assets	0.1	1.0	0.9	0.9
Total assets	11.1	13.1	12.3	9.6
(Percentage change)	(17.5)	(17.7)	(14.2)	(9.6)
Deposits	9.3	10.7	9.7	8.6
(Percentage change)	(16.4)	(16.6)	(13.5)	(10.5)

Note: Data may not add due to rounding. Flow data for 1982 are estimates of the Department of Finance.
(1) Includes trust and mortgage loan companies, credit unions and caisses populaires and Quebec Savings Bank.
Source: Bank of Canada, *Review;* and Statistics Canada, *Financial Flow Accounts*, quarterly, cat. 13-002.

increased rapidly due to the wide differential between the interest rate charged on policy loans and current market interest rates, but these loans became less attractive in the second half of the year as interest rates declined.

The general slowdown in the demand for mortgages continued to affect the asset growth of the near banks in 1982. As shown in Table 8.11, near-bank assets increased $9.6 billion or 9.6 per cent. The trust and mortgage loan companies, like other major mortgage lenders, have been increasing their efforts to reduce reliance on mortgages and increase personal and commercial loans which are often on a variable interest rate basis. Similarly, the credit unions and caisses populaires had been under significant liquidity pressure because of their portfolios of fixed-term mortgages. During 1982, these institutions experienced improved economic performance because of relatively lower interest rates in the second half of the year and improved matching of assets and liabilities.

9. International Comparisons

The most significant feature of developments in 1982 was a decline in real output in member countries of the Organization for Economic Cooperation and Development (OECD). Continuing low demand in several OECD countries was coupled with a rise in unemployment. This factor, together with a reduction in energy and raw materials prices, contributed significantly to the considerable drop in the rate of inflation in 1982. It should, however, be noted that the extent of these developments differed among countries. After experiencing the largest increase in real output among the seven major OECD countries in 1981, Canada recorded the biggest drop in output in 1982. Canada's rate of inflation remained in the double-digit range in 1982, though lower than in 1981, partly because of the need to absorb large increases in energy prices.

Efforts by the major OECD countries to reduce budget deficits were hampered by the economic situation in 1982. Recession-related declines in revenues, mainly through the working of automatic stabilizers, and increases in expenditures, particularly in unemployment insurance benefits and interest payments, increased budget deficits expressed as a proportion of GNE.

Real Output Growth

After posting a 3.1-per-cent increase in real output in 1981, the highest rate among the seven large OECD members, Canada showed a 4.8-per-cent drop in real GNE in 1982 (see Table 9.1). The average decline in output for the seven major OECD countries was only 0.5 per cent. The sharp decline in Canada was primarily due to a marked drop in investment. Real GNE declined 1.8 per cent in the U.S., the second largest decline after Canada's. In Germany, real output fell 1.3 per cent and it remained fairly stable in Italy and the U.K. France and Japan showed increases of 1.5 and 2.5 per cent in real output, respectively. On the whole, economic activity during the second half of 1982 deteriorated further in the OECD countries.

Labour Markets

As real output fell, employment declined and the unemployment rate rose in the OECD countries in 1982. Unemployment rose above 30 million compared to 25 million in 1981. Each of the seven major OECD countries posted a higher unemployment rate in 1982, and the average unemployment rate for the group rose nearly 2 percentage points from 1981. In Canada, the unemployment rate increased to 11.0 per cent in 1982, the highest after the 12.0 per cent recorded by the U.K. The unemployment problem became more acute in the second half of 1982, reflecting a delayed response to the drop in output recorded in the preceding period.

Inflation

In 1982, inflation, as measured by the annual percentage change in the consumer price index, continued the decline begun in the second half of 1981. In the seven major OECD countries, the inflation rate for the year averaged 6.5 per cent, compared to 10.0 per cent in 1981. This decline may be attributed to several factors: a sharp drop in raw materials prices, a drop in world oil prices, weak domestic markets, a slower advance in nominal wages and a drop in profit margins.

The average inflation rate in 1982 was 10.8 per cent in Canada, compared to 12.5 per cent in 1981. In the U.S., the decline was much more marked, to 6.2 per cent from 10.3 per cent. The other major OECD countries also posted substantial decreases in inflation. Inflation did not decline as much in Canada as in the U.S. because of the delayed increase in Canadian energy prices and because nominal wage growth did not slow as much in Canada as in the U.S.

Labour Productivity

In 1982, labour productivity increased an average of 0.4 per cent in the seven major OECD countries, less than the average increase of 1.2 per cent in 1981. This decline may be explained by the normal tendency of labour productivity to weaken in cyclical downturns. In Canada, labour productivity fell 1.6 per cent in 1982, the biggest decline of any of the seven major OECD countries. The U.S. experienced a decline of 0.9 per cent in 1982. The biggest increase in productivity among the seven countries was in the U.K.

Table 9.1
Evolution of Selected OECD Economic Indicators

	Average 1966-1973	Average 1974-1978	Average 1979-1982	1979	1980	1981	1982
				(per cent)			
Growth of Real GNP/GPD[1][4]							
United States	3.9	2.8	0.6	2.8	– 0.4	1.9	– 1.8
Japan	10.7	3.7	4.2	5.9	5.4	3.0	2.5
Germany	4.3	2.0	1.2	4.4	1.8	– 0.3	– 1.3
France	5.4	3.1	1.5	3.3	1.1	0.2	1.5
United Kingdom	2.9	1.4	– 0.5	1.6	– 2.0	– 2.2	0.5
Italy	5.4	2.1	2.4	4.9	3.9	– 0.2	0.8
Canada	5.5	3.2	0.4	2.9	0.5	3.1	– 4.8
Seven major countries	5.4	2.7	1.1	3.2	1.2	1.3	– 0.5
Unemployment rate[2][4]							
United States	4.5	7.0	7.6	5.9	7.2	7.6	9.7
Japan	1.3	1.9	2.2	2.1	2.0	2.2	2.4
Germany	1.4	3.7	5.1	4.7	3.3	4.7	7.7
France	2.7	5.3	7.5	7.3	6.3	7.4	8.9
United Kingdom	2.6	4.6	8.5	5.1	6.5	10.2	12.0
Italy	5.7	7.2	8.3	8.3	7.5	8.3	9.1
Canada	4.8	7.2	8.4	7.5	7.5	7.6	11.0
Seven major countries	3.4	5.5	6.6	5.4	5.8	6.6	8.4
Consumer price inflation[3][4]							
United States	4.4	8.0	10.3	11.3	13.5	10.3	6.2
Japan	6.2	11.5	4.7	3.6	8.0	4.9	2.1
Germany	3.9	4.8	5.2	4.1	5.5	5.9	5.3
France	5.1	10.7	12.4	10.8	13.6	13.4	11.6
United Kingdom	6.1	16.2	12.9	13.4	18.0	11.9	8.1
Italy	4.5	16.7	18.0	14.8	21.2	19.5	16.3
Canada	4.3	9.2	10.6	9.1	10.2	12.5	10.8
Seven major countries	4.7	9.5	9.6	9.3	12.2	10.0	6.5
Productivity growth[1][4]							
United States	1.5	0.3	– 0.2	– 0.1	– 0.9	0.8	– 0.9
Japan	9.3	3.2	2.8	4.5	3.1	2.1	1.5
Germany	4.3	2.9	1.2	3.1	0.9	0.5	0.5
France	4.8	2.8	2.1	4.2	1.1	1.0	2.0
United Kingdom	3.1	1.1	1.7	0.7	– 0.3	3.3	3.5
Italy	5.6	0.0	1.9	3.9	3.1	– 0.5	1.0
Canada	2.5	0.6	– 1.1	– 1.0	– 2.2	0.5	– 1.6
Seven major countries	3.9	1.5	0.9	1.7	0.4	1.2	0.4

(1) GNP figures are given for the United States, Japan, Germany and Canada, but GDP figures for France, the United Kingdom and Italy.
(2) The unemployment rates reported are as defined by each country.
(3) As measured by annual change in the consumer price index.
(4) Defined as real output per worker. The averages are calculated using a weighting formula to adjust for the respective share of GNP/GDP in 1981.

Sources: OECD, *Economic Outlook*, December 1982, *Main Economic Indicators*, updated in some cases, and *National Accounts*, Volume II, 1982; Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001, *The Labour Force*, monthly, cat. 71-001, and *Consumer Prices and Price Indexes*, quarterly, cat. 62-010; U.S. Department of Commerce, *Survey of Current Business*; U.S. Department of Labour, *Monthly Labour Review*.

Interest and Exchange Rates

The trend toward lower interest rates in 1982 (Table 9.2), especially in the second half of the year, was closely connected to developments in the U.S., where interest rates fell due mainly to the substantial decline in inflation and the weakness of the economy. Interest rates also fell in Canada particularly in the second half of the year due to the decline in domestic inflation and lower U.S. rates. They remained higher than in the U.S., however, because Canada's inflation rate was higher. Declines in interest rates followed different patterns in every country, depending on relative positions of current and capital accounts in the balance of payments, each country's relative inflation situation and efforts made by authorities to support this exchange rate. Interest rates remained especially high in Italy and France. Japan also posted record high interest rates.

The Canadian dollar depreciated somewhat against the U.S. dollar but strengthened against other currencies (Table 9.2). The real effective exchange rate for the Canadian dollar advanced slightly, from 91.4 in 1981 to 91.8 in 1982 (based on March 1973 equalling 100). Among the currencies of the seven major OECD countries, the yen and the pound sterling depreciated the most, while the U.S. dollar appreciated the most.

Balance of Payments

The current account deficit of the OECD countries taken as a whole rose to U.S. $39.1 billion in

Table 9.2
Evolution of Interest Rates and Exchange Rates for the Large OECD Countries

	1978	1979	1980	1981	1982	1982 March	1982 June	1982 Sept.	1982 Dec.
				(per cent)					
Representative short-term money market interest rates[1]									
United States	8.26	11.26	13.17	15.68	11.95	14.24	15.19	10.26	8.81
Japan	4.50	6.06	10.75	7.30	6.85	6.42	7.19	7.05	6.90
Germany	3.69	6.88	9.54	12.24	8.67	9.50	9.40	8.00	6.20
France	8.01	9.73	12.20	15.58	14.55	15.87	14.87	13.81	12.75
United Kingdom	9.36	13.84	16.55	13.99	12.15	13.56	13.00	10.56	10.50
Italy	11.50	12.25	17.49	19.88	19.76	20.62	20.38	18.50	19.00
Canada	9.01	12.05	13.23	18.25	14.23	16.15	17.20	12.95	9.95
				(March 1973 = 100)					
Indexes of real effective exchange rates[1]									
United States	96.3	96.3	98.0	108.7	117.4	114.4	118.5	119.8	119.1
Japan	106.9	95.7	93.4	94.3	83.5	85.7	82.5	79.7	85.7
Germany	103.5	103.9	100.8	96.6	99.7	98.1	99.7	100.4	102.6
France	97.4	98.9	100.6	98.9	96.3	98.4	96.3	92.5	95.4
United Kingdom	106.3	118.4	137.9	140.9	135.2	135.6	136.2	138.1	130.1
Italy	89.8	93.0	95.9	91.2	89.9	90.0	88.9	90.0	90.7
Canada	92.1	92.1	91.3	91.4	91.8	92.4	89.4	92.9	91.2

Note: According to the source, "The index of the effective exchange rate for a currency is a measure of that currency's trade-weighted average appreciation or depreciation vis-a-vis the currencies of 15 other major countries. The exchange rates used in the construction of this index are the averages of daily noon spot exchange rates in New York... The trade weights used are based on 1976 bilateral trade in manufactures. The index of the real effective exchange rate is the index of the effective exchange rate adjusted for inflation differentials which are measured by wholesale (or producer) prices of non-food manufactures. Exchange rates and trade weights used in the construction of this index are the same as those used for effective exchange rate indices."
[1] Annual figures are calculated using monthly averages. Monthly figures are month-end data.
Source: Morgan Guaranty Trust Company of New York, *World Financial Markets*.

1982, from U.S. $31.0 billion in 1981 (Table 9.3). This increase resulted largely from a substantial deterioration of the U.S. current account balance, primarily due to the erosion of U.S. competitiveness following the appreciation of the U.S. dollar. Canada's current account balance expressed in U.S. dollars improved substantially, moving from a deficit of U.S. $4.5 billion in 1981 to a surplus of U.S. $2.2 billion in 1982. This dramatic turnaround was caused mainly by the rise in the trade surplus which followed the sharp drop in imports associated with weaker domestic demand. The current account balance as a proportion of GNP swung to a surplus of 0.7 per cent in 1982 from a deficit of 1.6 per cent in 1981. Within the OECD, current account balances varied significantly from country to country. Three of the seven major countries – the U.S., France and the U.K. – recorded substantial deterioration, however, contributing to increasing the overall deficit for the seven major countries by about U.S. $10 billion. As a percentage of GNE/GDP, the current account deficits for the seven major countries and the OECD as a whole remained stable, at 0.1 and 0.5 per cent respectively.

Budget Balances

In 1980, the last year for which complete data are available for all major OECD countries, the Canadian federal government deficit as a percentage of GNP was smaller than those of Italy and Japan but larger than those of France, Germany, the U.K. and the U.S. More recent data show that, while the decline in the deficit expressed as a percentage of GNP was larger in 1981 for the Canadian federal government than for the U.S. federal government, this ratio more than doubled in the U.S. and Canada between 1981 and 1982.

Comparisons of budget balances at the total government level are more meaningful than comparisons of central government budget balances because of differing divisions of responsibility

Table 9.3
Current Account Balances of OECD Countries

	1975	1976	1977	1978	1979	1980	1981	1982
	(billions of U.S. dollars)							
United States	18.3	4.4	– 14.1	– 14.8	– 0.5	1.5	4.5	– 8.8
Japan	– 0.7	3.7	10.9	16.5	– 8.8	– 10.7	4.8	6.5
Germany	4.0	3.9	4.1	9.0	– 6.0	– 16.3	– 7.3	– 0.3
France	2.7	– 3.4	– 0.4	7.0	5.2	– 4.2	– 4.7	– 11.5
United Kingdom	– 3.7	– 1.6	0.0	2.0	– 1.8	6.7	12.1	4.5
Italy	– 0.6	– 2.8	2.5	6.2	5.5	– 9.7	– 8.1	– 5.5
Canada	– 4.7	– 3.9	– 4.0	– 4.3	– 4.2	– 0.9	– 4.5	2.2
Seven major countries	15.3	0.3	– 1.0	21.6	– 10.6	– 33.6	– 3.2	– 12.9
Total OECD	5.1	– 15.3	– 21.7	12.3	– 27.7	– 69.1	– 31.0	– 39.1
	(per cent of GNP/GDP)							
United States	1.2	0.3	– 0.7	– 0.7	– 0.1	0.1	0.2	– 0.3
Japan	– 0.1	0.7	1.6	1.7	– 0.9	– 1.1	0.5	0.6
Germany	1.0	0.9	0.8	1.4	– 0.8	– 1.9	– 1.1	0.0
France	0.0	– 1.5	– 0.7	0.6	0.0	– 1.4	– 1.4	– 2.2
United Kingdom	– 2.0	– 1.7	– 0.1	0.5	0.0	1.6	2.4	0.9
Italy	– 0.2	– 1.5	1.1	2.4	1.7	– 2.5	– 2.3	– 1.6
Canada	– 3.1	– 2.3	– 2.2	– 2.3	– 2.1	– 0.4	– 1.6	0.7
Seven major countries	0.3	– 0.1	– 0.1	0.3	– 0.3	– 0.5	– 0.1	– 0.1
Total OECD	0.1	– 0.4	– 0.4	0.2	– 0.4	– 0.9	– 0.4	– 0.5

Source: OECD, *Economic Outlook*, December 1982 and *Main Economic Indicators*, updated in some cases with more recent information; Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, quarterly, cat. 67-001; and *National Income and Expenditure Accounts*, quarterly, cat. 13-001; U.S. Department of Commerce, *Survey of Current Business*.

Table 9.4
An International Comparison of Central and Total Government Budget Balances as Percentages of Gross Domestic Product or Gross National Product (GDP/GNP)

	Canada	United States	United Kingdom	France	Germany	Italy	Japan
				(per cent)			
Central Government							
Average, 1967-1974	0.2	−1.0	1.7	0.6	−0.2[2]	−3.7[2]	0.7[2]
1975	−2.3	−4.6	−3.3	−1.9	−3.0	−7.4	−4.2
1976	−1.8	−3.1	−4.0	−0.1	−2.3	−4.6	−4.5
1977	−3.5	−2.4	−2.8	−0.7	−1.5	−4.9	−5.5
1978	−4.6	−1.4	−3.6	−1.3	−1.6	−11.0	−6.2
1979	−3.5	−0.7	−2.6	−0.9	−1.5	−9.2	−5.6
1980	−3.5	−2.3	−2.8	−0.0	−1.7	−7.3	−5.5
1981	−2.4	−2.0	—	—	—	—	—
1982[3]	−6.0	−4.8	—	—	—	—	—
Total Government[1]							
Average, 1967-1974	0.9	−0.5	−0.9	0.5	−0.2[2]	−6.3[2]	0.9[2]
1975	−2.5	−4.2	−4.9	−2.2	−5.8	−11.7	−2.8
1976	−1.7	−2.1	−5.0	−0.5	−3.6	−9.0	−3.8
1977	−2.4	−0.9	−3.4	−0.8	−2.4	−8.0	−3.7
1978	−3.2	0.0	−4.2	−1.9	−2.5	−9.7	−5.5
1979	−1.9	0.6	−3.1	−0.7	−2.7	−9.3	−4.8
1980	−2.1	−1.3	−3.2	0.3	−3.1	−8.3	−4.2
1981	−1.2	−1.0	−2.0	−1.6	−4.0	−11.9	−3.9
1982[3]	−5.3	−3.8	−2.0	−2.9	−4.1	−12.2	−3.3

(1) Includes central and local governments and the social security system, but excludes public corporations.
(2) The average is for 1970-1974 instead of 1967-1974.
(3) OECD estimates except for Canada and the United States which are actual.
Source: OECD, *National Accounts for OECD Countries 1962-1980*, Volume II; *Economic Outlook*, July 1982; *Economic Outlook*, December 1982; Statistics Canada, *National Income and Expenditure Accounts*, quarterly, cat. 13-001; Executive Office of the President, Council of Economic Advisers, *Economic Report of the President*, updated in some cases with more recent information.

among levels of government in different countries. Table 9.4 shows that most of the major OECD countries ran deficits in the range of 2 to 5 per cent of GDP/GNP during the periods of more severe cyclical weakness in the mid-1970s. By 1981 Canada and the U.S. had reduced their deficits to relatively low levels while the deficits of the European countries were tending to rise on account of the developing cyclical weakness in Europe. In 1982 deficits increased substantially in Canada and the U.S.; however, the total government deficit in Canada, as a percentage of GNP, was similar to that experienced in the U.S., the U.K., Germany and Japan in their earlier periods of cyclical weakness. While the total Canadian government sector deficit was somewhat bigger in 1982 than the previous high in 1978, the economy was far weaker in 1982 than it was in 1978. Finally, in comparing the data across countries for 1982, it should be noted that the figures for the five countries other than Canada and the U.S. are OECD estimates and may change when final data become available.

International comparisons of government expenditures expressed as percentages of GDP/GNP for both the total and central governments may be found in the reference tables. Expenditures at both levels of government have shown a persistent upward trend from 1969 to 1981. Between the period 1969-1974 and 1980, the average ratio of total government expenditures to GDP/GNP for the OECD countries increased 7.9 percentage points while over the same period the ratio of Canadian total government expenditures to GNP increased 5.0 percentage points. Canadian total government expenditures, at 41.7 per cent of GNP, were 3.5 percentage points less than the average OECD ratio of expenditures to GNP/GDP in 1980.

10. Inflation and the Consumer Price Index

The consumer price index (CPI) is one of the most frequently cited and used indicators of inflation. It often serves as an automatic adjustment factor for incomes, wages, and government taxes and transfer payments. Given the importance of the CPI, this chapter analyzes three of its aspects. First, it compares inflation estimates based on the CPI with those based on other price indexes to determine the usefulness of the CPI as an indicator of inflation. Second, to deal with the concern that published Canadian and U.S. CPIs are not directly comparable because of a number of differences, it constructs comparable subaggregates of the CPIs to analyze relative inflation performance in the two countries. Third, it is sometimes argued that the published Canadian CPI does not accurately reflect changes in prices in the marketplace because of the impact of governments on certain prices. Two aspects of this issue are examined by separating out the impact of regulated prices and indirect tax changes on the CPI.

Measures of Prices

There are four major aggregate indexes of prices available from Statistics Canada. These are: the CPI, the implicit price indexes for gross national expenditure (GNE-IPI) and for consumer expenditure (CE-IPI), and the industry selling price index (ISPI).

The CPI measures changes in the cost of purchasing a fixed basket of consumer goods and services by a target population in a certain reference period. The target population includes urban centres whose 1976 census population was over 30,000. The fixed basket used at the present time is based on 1978 expenditure patterns. The index covers only commodities and services purchased by consumers including imports; it does not cover prices of government services, capital formation and exports. The ISPI is a 1971-base-weighted index designed to measure movements in prices of products sold by manufacturing establishments. Its concept of price excludes discounts and other allowances and rebates, all sales taxes and excise taxes and excise duties on domestically produced tobacco, liquor and beer. Both the GNE-IPI and CE-IPI are current-weighted indexes. The GNE-IPI covers market prices (including indirect taxes) of all newly produced goods and services in Canada but the CE-IPI covers only newly produced consumer goods and services. Statistics Canada also makes available GNE-IPI and CE-IPI on a fixed-weighted basis for illustrative and comparative purposes.

Table 10.1 compares percentage changes in major aggregates of available Canadian prices. The following conclusions can be drawn from this table. First, the fixed weighting of price indexes yields higher estimates of the rate of inflation than current weighting as indicated by a comparison of fixed – and current-weighted GNE-IPI and CE-IPI. This information can be used to support the argument that fixed weighting of the CPI imparts an upward bias to the estimated rate of inflation of the commodities included in the basket. Second, the CPI, which is a fixed-weighted index, shows on average a lower rate of inflation than officially published GNE-IPI which is current-weighted and is the most comprehensive of the available price indexes in its coverage of commodities. Third, in any one period, a very different picture of inflation can emerge depending upon the price index used. For example, the CPI outpaced GNE-IPI by 2 ½ percentage points in 1981. Furthermore, the relative positions of different price indexes indicating the extent of inflation can reverse importantly over time. For example, the ISPI increased almost 5 ½ percentage points more than the CPI in 1979 but almost 5 percentage points less than the CPI in 1982.

There are a number of advantages in using the CPI which have led to it becoming the preferred indicator of inflation. These are:

- It is available regularly and frequently to allow a quick picture of current price developments.
- Historical CPI data are never revised. A number of government transfer programs, federal income tax and some private contracts are linked to the rate of inflation. Any historical revisions to the index could raise the issue of making adjustments to such variables even after a lapse of considerable time.

Table 10.1
A Comparison of Alternative Indexes of Price Inflation

	Consumer price index (CPI)	Implicit price index for gross national expenditure		Implicit price index for consumer expenditure		Industry selling price index (ISPI)
		Current weighted	Fixed weighted	Current weighted	Fixed weighted	
		(percentage change)				
1973	7.6	9.1	9.2	7.3	7.7	11.2
1974	10.9	15.3	16.2	11.3	12.0	19.0
1975	10.8	10.8	11.7	10.5	10.9	11.2
1976	7.5	9.5	9.5	7.3	7.6	5.1
1977	8.0	7.1	7.6	7.5	8.0	7.9
1978	8.9	6.5	7.4	7.3	8.3	9.2
1979	9.1	10.2	10.7	9.2	9.8	14.5
1980	10.2	11.1	12.4	10.7	11.1	13.5
1981	12.5	10.1	10.8	11.3	12.6	10.2
1982	10.8	10.6	8.7	10.5	10.7	6.0
Compound rate of change 1971-1982	9.2	9.5	9.9	8.8	9.3	10.1

Source: Statistics Canada, *Consumer Prices and Price Indexes*, quarterly, cat. 62-010; *Industry Price Indexes*, monthly, cat. 62-011; and *National Income and Expenditure Accounts*, quarterly, cat. 13-001.

- It is available seasonally adjusted. The absence of this characteristic would create problems for calculating rates of change for periods of less than one year, because these will be affected by seasonal factors.

- It has the potential for use as an indicator of inflation in a variety of situations, e.g. indexation of government programs and tax systems, wage adjustments, etc. Although specific price indexes may be more suitable for certain purposes, the simultaneous use of a number of indexes can be confusing.

- It is available on an international basis which facilitates international comparisons of inflation.

Canada-United States Comparisons

The substantially different treatment of homeownership in the Canada and U.S. CPIs should be recognized when making price comparisons between the two countries. As well, Canada and the U.S. adjusted differently to world energy price shocks and the CPIs of the two countries have diverged importantly because of this. Another important factor which can lead to significant divergence of the Canada-U.S. CPIs is the volatility of food prices.

The homeownership component in the U.S. CPI consisted of five parts until 1983: home purchase (the price of new homes); contractual mortgage interest costs; property taxes; property insurance; and maintenance and repairs. The homeownership component accounted for 22.8 per cent of the CPI in the U.S., with the major proportion, 16.5 per cent, taken up by home purchase and mortgage interest cost.[1] Statistics Canada uses an outlays approach to homeownership in the Canadian CPI, which is quite different from that followed in the U.S. The Canadian index does not separate out the home purchase

[1] Beginning in 1983, the U.S. is switching to a rental equivalence approach for measuring changes in the homeownership cost.

price and mortgage interest payments as in the U.S. but, on the other hand, includes depreciation of the housing stock as a cost, which is ignored in the U.S. The weights for all elements of housing costs, except replacement costs, are based on expenditures reported in the 1978 family expenditure survey. Home replacement cost is based on an assumed 2 per cent annual depreciation rate. The mortgage interest cost index is a 60-month average of mortgage interest costs related to a fixed distribution of mortgages by age. The homeownership component accounts for 12.8 per cent of the total weight of the CPI in Canada, a significantly lower proportion than in the U.S.

A better picture of the difference in the underlying rates of inflation in the two countries can be obtained if some of the items discussed above are excluded from the aggregate CPIs for the purpose of comparison. This is done in Tables 10.2 and 10.3. The following main points are worth noting.

- The exclusion of food and energy reduces the rate of inflation in Canada over the whole period. In the U.S., this exclusion reduces the rate of inflation only in 1979 and 1980. This is because energy prices increased much faster in the U.S. than in Canada in the earlier period and slowed considerably in 1981 and 1982. In 1982, U.S. energy price increases lagged considerably behind increases in the all-items CPI. Food prices consistently increased faster in Canada than in the U.S. over this period, as indicated in Table 10.3.

- The exclusion of mortgage interest cost and depreciation lowers the rate of inflation in Canada in 1981 and 1982, raises it in 1979 and leaves it unchanged in 1980. In the U.S., the exclusion of mortgage interest cost and house purchase significantly lowers inflation throughout the period. An indication of the extent of these differences can be found in Table 10.3. in the U.S., the homeownership cost index has increased faster than the CPI

Table 10.2
Canada-U.S. Consumer Price Index Comparisons

	1979	1980	1981	1982
	(percentage change)			
All items CPI				
Canada	9.1	10.2	12.5	10.8
U.S.	11.3	13.5	10.3	6.2
(percentage point difference)	(– 2.2)	(– 3.3)	(2.2)	(4.6)
CPI excluding food and energy				
Canada	7.7	9.4	10.9	10.8
U.S.	9.7	12.4	10.5	7.4
(percentage point difference)	(– 2.0)	(– 3.0)	(0.4)	(3.4)
CPI excluding mortgage interest and depreciation or house purchase[1]				
Canada	9.4	10.2	12.2	10.4
U.S.	9.6	11.4	9.6	6.0
(percentage point difference)	(– 0.2)	(– 1.2)	(2.6)	(4.4)
CPI excluding food, energy, mortgage interest and depreciation or house purchase				
Canada	7.9	9.4	10.3	10.2
U.S.	6.9	8.9	9.4	7.6
(percentage point difference)	(1.0)	(0.5)	(0.9)	(2.6)

[1] The Canadian CPI includes a depreciation component in its homeownership index while the U.S. does not. The U.S. homeownership index includes a home purchase item not found in its Canadian counterpart.

Source: Department of Finance.

Table 10.3
Contributions of Selected Sub-Aggregates to the CPI Rate of Inflation in Canada and the U.S.

Year-Over-Year Rate of Inflation

	Food		Energy		Homeownership	
	Canada	U.S.	Canada	U.S.	Canada	U.S.
			(percentage change)			
1979	13.2	10.9	9.8	25.2	6.2	15.5
1980	10.7	8.6	16.0	30.9	7.5	19.6
1981	11.4	7.8	30.1	13.5	12.8	12.3
1982	7.2	4.0	19.8	1.5	13.6	6.8

Contributions to the CPI Rate of Inflation

	Food		Energy		Homeownership	
	Canada	U.S.	Canada	U.S.	Canada	U.S.
			(percentage points)			
1979	3.5	2.1	0.9	2.4	0.9	4.1
1980	3.0	1.6	1.4	3.4	1.0	5.4
1981	3.2	1.4	2.8	1.7	1.7	3.6
1982	1.9	0.7	2.7	0.2	1.9	2.0

Source: Department of Finance.

over the whole period. In Canada, homeownership cost increases overtook the CPI only in 1981. Both in 1981 and 1982, homeownership costs increased faster in Canada than in the U.S.

- The exclusion of all three elements reduces Canadian inflation for the whole period and U.S. inflation from 1979 to 1981, but increases U.S. inflation in 1982. The differential between Canadian and U.S.inflation rates falls to 2.6 percentage points in 1982, if these three items are excluded, from 4.6 percentage points if they are included. This supports the view that, in the last two years, the published Canadian rate of inflation has been higher than in the U.S. partly because of the impact of these special factors.

Table 10.3 also provides information on the contribution to inflation from these special factors. Over the 1979 to 1982 period, food has consistently contributed more to Canadian inflation than to U.S. inflation. On the other hand, the contribution of homeownership costs to the U.S. rate of inflation has been much larger over the entire period. Energy contributed more to U.S. than to Canadian inflation in 1979 and 1980 but the situation reversed with the Canada-Alberta energy agreement in September 1981.

The contribution of homeownership costs to inflation is an interesting element to consider. As the top panel of Table 10.3 shows, these costs are now increasing at a faster rate in Canada than in the U.S. but their contribution to inflation in the U.S. remains larger. Both these developments require comment. Mortgage rates were at record high levels in 1981 and 1982. However, it is not the level but the rate of change in mortgage rates which is the important determinant of relative

rates of change of homeownership costs.[2] The percentage changes in mortgage rates in 1981 and 1982 were not as large as in 1980. Since it is current mortgage rates which, until the end of 1982, entered the U.S. CPI compared to a 60-month average of rates in Canada, this explains why the Canadian homeownership cost index increased relatively more in 1981 and 1982. On the other hand, the contribution of homeownership cost to the rate of inflation remains larger in the U.S. (although the gap has narrowed considerably in recent quarters) because of the large weight attached to homeownership in the U.S.

Regulated versus Non-regulated Prices[3]

Both the federal and provincial-local governments exercise rather direct influence on prices paid by consumers in such areas as food, transportation, telephone services, tobacco and alcohol, petroleum products and electricity. The influence occurs through regulation of prices charged by private suppliers, through the price charge when the government is itself the supplier, and through taxes. In only in relatively few cases, however, (e.g. telelphone rates) does the final price to the consumer (as measured in the CPI) provide a direct measure of the price/tax directly controlled by a single level of government. In most cases, the final retail price will reflect a mix of regulated prices of some important inputs into the final product price (e.g. crude oil in the case of gasoline), taxes by one or more levels of government, and uncontrolled elements (e.g. retail margins).

This regulation of prices by governments has two important aspects. First, pricing behaviour of regulated and non-regulated commodities may be different during various phases of the business cycle. This is because the rate of increase of regulated prices, not subject to normal market forces, may not decelerate during downturns or accelerate during upturns as quickly as non-regulated prices. Second, there is the important issue of whether or not governments have contributed to increasing the rate of inflation in Canada by regulating prices. That is, is the current level of prices higher than it would have been in the absence of price regulation?

A study recently prepared at Statistics Canada attempts to shed light on the first of these aspects of regulation, i.e., different cyclical behaviour of regulated and non-regulated prices.[4] The methodology followed was to construct a sub-aggregate of the CPI consisting of those of its components for which it was a reasonable presumption that regulated prices and/or taxes exerted a major influence. This index was compared with an index of the remaining "non-regulated" components of the CPI. The comparison supported the hypothesis that "regulated prices" were less responsive to the economic cycle than non-regulated prices, lagging on both the way up and the way down. The estimates also indicated that regulated prices were recently increasing at rates significantly above the general rate of inflation. It should be noted, however, that energy price changes played a substantial role in the high recent rates of increase of the "regulated index".

An index of regulated prices, constructed along the lines indicated above, gives only a very imperfect measure of developments in actual prices and taxes, since in only a few cases do the components of the index provide a direct measure of such prices. Further, description of the course of "regulated prices" – however imperfect – is only a first step towards analysis of the impact of regulation. For example, in the absence of regulation, energy prices would be expected to be substantially above their current levels although their rate of increase over the past year would be less.

It is possible to pursue this approach one step further and obtain an approximate indicator of developments in prices subject to substantial degrees of federal, versus provincial-local, influ-

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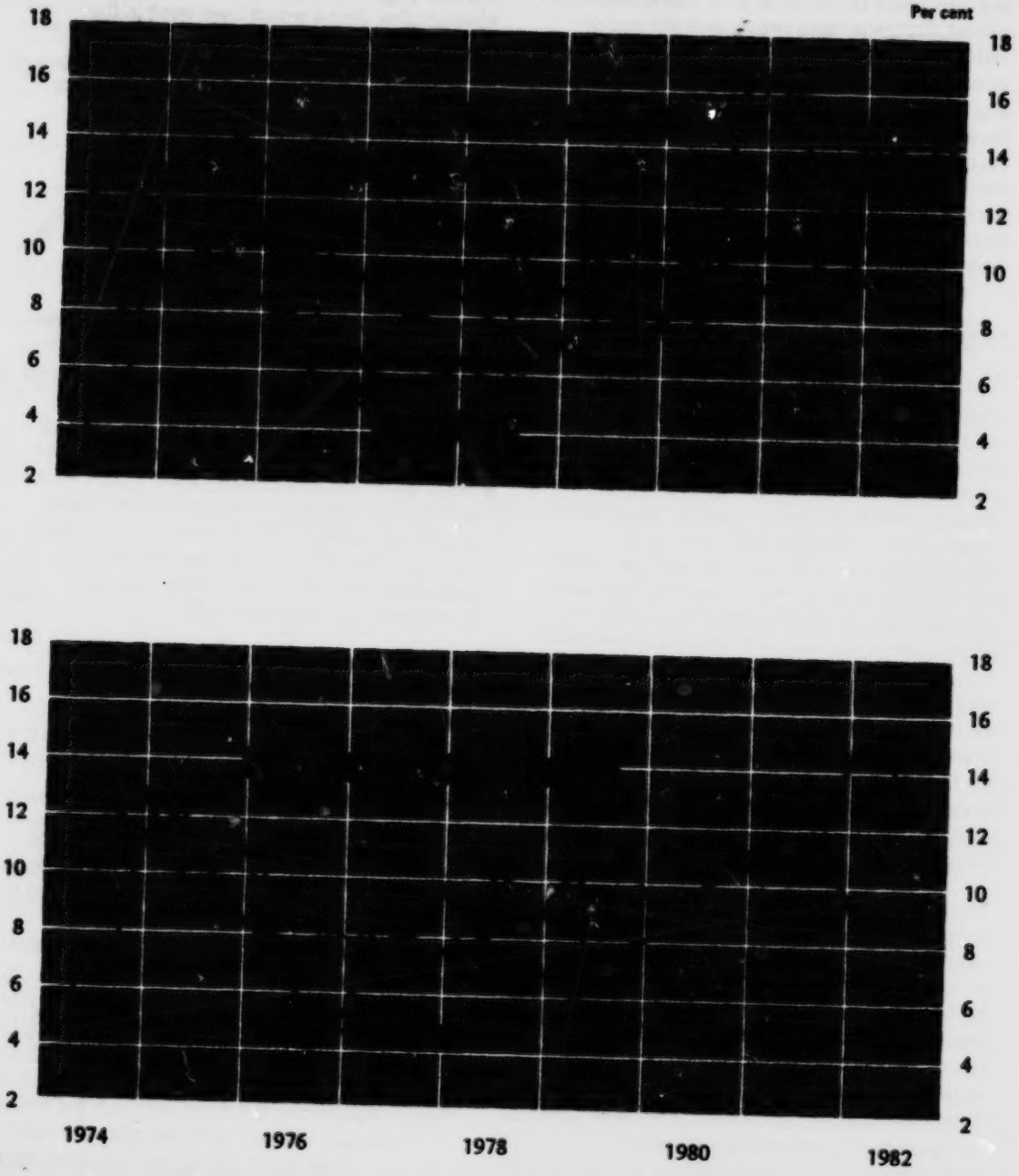
[2] For example, suppose one country uses a two-year average of mortgage rates and the other country the recent rate for the mortgage cost index. Suppose the rates are 5, 15 and 20 per cent over three years. The first country's average would be 10 and 17.5 in the last two years or a 75-per-cent increase in the second year. The second country's average would be 15 and 20 in the last two years, or a 33-per-cent increase in the second year.

[3] Readers interested in obtaining more details on this subject are requested to contact the Macro-Analysis Section of the Economic Analysis Division, Department of Finance.

[4] Karen Wilson, "The Behaviour of Regulated Prices in the Consumer Price Index" *Current Economic Analysis*, Statistics Canada, August 1982.

Chart 10.1

Comparison of Regulated and Non-Regulated Price Changes



Source: Department of Finance.

ence through regulation and taxation. This indicator is rougher because one has to assign a given CPI component somewhat arbitrarily either to the federal or provincial-local category, on the basis of which government level is thought to exercise the preponderant influence on it. For example, alcohol and tobacco have been assigned in this analysis to the provincial-local regulated component, since provincial taxes and liquor commission mark-ups are a major factor in the final price. But federal taxes, and private business pricing at the farm, manufacturer, and retail level also enter into the price.

Chart 10.1 provides comparisons of federal-regulated, provincial-local-regulated and non-regulated prices. The information provided there confirms the hypothesis that rates of increase of prices of regulated and non-regulated commodities diverge importantly during phases of business cycles. For example, non-regulated prices increased faster than regulated prices, excluding energy prices, during 1974-1975 and again during the period from late 1977 to mid-1980. Regulated prices increased faster than non-regulated prices between late 1975 and late 1977 and again since mid-1980. In the recent period, large increases in postage rates, railway passenger fares and air fares were responsible for the larger increase in regulated prices relative to non-regulated prices. The rate of increase of prices subject to major federal and provincial-local influences was higher than that of non-regulated prices during this period.

This analysis sheds light on only the first aspect of the impact of regulation, i.e., the cyclical difference in rates of change in regulated and non-regulated prices. The question whether the federal government through regulation has made a contribution to increasing the rate of inflation can not be answered unless it is also determined what prices would have been for regulated commodities had the federal government not intervened in the market place to regulate prices. Only a comparison of actual prices with these alternative prices would provide any information on the direct impact of the federal government on the rate of inflation over time.

It is difficult to devise a simple rule to determine what regulated prices would have been in the absence of regulation. It is assumed here that prices of regulated commodities excluding energy and communication would have shown the same rates of change as the closest substitutes for commodities which are non-regulated. For energy and communication, the alternative prices are based on actual U.S. price indexes for comparable commodities. The U.S. price indexes are used for these commodities because good Canadian substitutes are not available. Almost the total communications sector is regulated and no substitute for energy products is readily thinkable. Details on alternative values used for regulated commodities are provided in Table 10.4.

The 1982 value of the sub-aggregate of federally-regulated prices is calculated to be 334.0, with April 1973 = 100.0. The replacement of actual values with hypothetical values yields a value of 353.1 for 1982. This comparison, though tentative and admittedly hypothetical, suggests that regulated prices would have been 5.7 per cent higher in 1982 in the absence of federal regulation.

Indirect Taxes and the Consumer Price Index[a]

Statistics Canada does not publish a consumer price index excluding indirect taxes. To further determine the impact of governments on inflation, indirect taxes – in terms of property, energy and non-property-non-energy taxes – were separated out from the CPI for all three levels of government.

Table 10.5 provides estimates of the rates of increase of various CPI sub-aggregates excluding these various types of indirect taxes. The impact of indirect taxes on the rate of inflation can be calculated simply as differences between the actual rate of increase of the CPI and the sub-aggregates excluding particular types of indirect taxes.

[a] For details on the methodology and assumptions underlying this analysis, contact the Macro-Analysis Section of the Economic Analysis Division, Department of Finance.

Table 10.4
Alternative Prices of Regulated Commodities

Commodity	Actual value	Hypothetical value	Hypothetical value reflects
Eggs and dairy products (excluding fluid milk)	265.9	261.9	Food ex. dairy products and eggs–CPI
Poultry	223.3	227.4	Meat–CPI
Telephone	155.8	173.8	Telephone–U.S.–CPI[1]
Postage	362.9	283.9	Postage–U.S.–CPI[1]
Rail	187.0	261.5	Private transportation–CPI
Air	321.2	261.5	Private transportation–CPI
Motor oil	239.4	311.5	Motor oil–U.S. CPI[1]
Gasoline	392.6	421.8	Gasoline–U.S. CPI[1]
Fuel oil	562.2	677.8	Fuel oil–U.S. CPI[1]
Natural gas	436.7	482.6	Natural gas–U.S. CPI[1]

[1] The U.S. CPI is properly adjusted to reflect exchange rate changes and is rebased to 1973:4 = 100.0 to keep it comparable to the rebased Canadian components.

Source: Statistics Canada, *The Consumer Price Index*, monthly, cat. 61-001; and U.S. Bureau of Labour Statistics, *CPI Retail Report*, monthly.

Table 10.5
Rates of Inflation of the CPI Including and Excluding Indirect Taxes

	CPI	CPI ex. all federal taxes	CPI ex. federal non-energy taxes	CPI ex. provincial taxes	CPI ex. property taxes	CPI ex. energy taxes	CPI ex. other taxes	CPI ex. all taxes	CPI ex. energy prices – tax and non-taxes
	(percentage change)								
1978	8.9	8.9	8.9	9.0	8.7	8.9	9.1	8.8	8.9
1979	9.1	9.4	9.4	9.0	9.1	9.1	9.3	9.2	9.1
1980	10.2	10.1	10.2	10.2	10.2	10.1	10.3	10.1	9.7
1981	12.5	11.4	12.5	12.5	12.5	11.3	12.6	11.4	11.0
1982	10.8	11.4	11.1	10.2	10.6	11.0	10.6	10.7	9.8
Annualized Rate Change									
1978-1980	9.4	9.5	9.5	9.4	9.3	9.4	9.5	9.4	9.5
1981-1982	11.6	11.4	11.8	11.3	11.6	11.1	11.6	11.0	10.4

Source: Department of Finance.

A comparison of the rate of change of the CPI and of the CPI excluding all indirect taxes indicates that indirect tax changes have had a relatively small impact on the CPI rate of inflation. The impact was negligible during the 1978 to 1980 period and 0.6 percentage points, on average, during 1981 and 1982. This is because indirect tax changes have seldom led other price changes, except for the recent changes in energy taxes. From 1978 to 1980, indirect tax changes at the federal level, on average, lagged behind the rate of inflation and their impact on the rate of inflation was a negative 0.1 percentage points. Over the same period, provincial indirect taxes increased in line with increases in the CPI and hence their impact was negligible while the impact of local property taxes was to increase slightly the rate of inflation.

During the 1981-1982 period, federal non-energy indirect taxes helped to reduce the annual CPI rate of inflation by 0.2 percentage points. Federal energy taxes, on the other hand, increased the annual rate of inflation by about 0.4 percentage points over this period, all concentrated in 1981, with the result that the impact of all federal indirect tax changes was to increase the rate of inflation by 0.2 percentage points on average over this period. The largest federal impact of indirect tax changes on the CPI rate of inflation, equal to 1.1 percentage points, occurred in 1981, mainly as a result of the imposition of petroleum compensation charges.

Over the 1981 and 1982 period, indirect energy taxes had an impact of 0.5 percentage points on the annual CPI rate of inflation. However, the last column in Table 10.5 indicates that energy tax and non-tax changes impacted the rate of inflation by 1.2 percentage points over this period. Therefore, non-indirect-tax energy price changes, compared to indirect tax changes, have made a significantly larger impact on the CPI rate of inflation. Over the same period, the impact of local property taxes was negligible while the impact of provincial indirect taxes was to increase the rate of inflation by 0.3 percentage points.

11. Productivity Developments

Since 1974, the rate of increase in labour productivity has slowed significantly in all major industrialized countries including Canada. This is a cause of concern since real standards of living in a country depend crucially on its productivity performance. It can, for example, be argued that real wage declines in Canada since 1977 are related to productivity declines since then. Inflationary pressures are also exacerbated by a productivity slowdown: directly, because price changes depend on unit labour costs which increase if productivity slows down, and indirectly, if workers react to a slowdown in real wage increases by demanding larger money wage increases. In addition, a country's international competitiveness and the external value of its currency are determined to a significant extent by its productivity performance relative to other countries. If a country's productivity growth rate is lower than that of its competitors, it must either maintain a lower rate of increase in money incomes or allow a depreciation of its currency in order to retain its relative competitive position.

Canada's Comparative Productivity Performance

As discussed in Chapter 9, all seven of the major OECD countries experienced a slowdown in productivity growth in the post-1973 period. The falloff in productivity growth was the largest in Japan followed by Canada. Annual productivity growth averaged 0.9 per cent in the seven major OECD countries during the 1979-1982 period compared to 3.9 per cent during 1966-1973. Canada and the U.S. were the only two countries to register absolute declines in productivity in the most recent period.

In Chapter 9 productivity was defined as real GNE per employed person since these are the only up-to-date international data on total labour productivity in the economy that are readily available. A better, though narrower, indicator of productivity is output per hour worked in the manufacturing sector. This measure helps to overcome two problems inherent in defining productivity as GNE per employed person: it concentrates on the production of goods, leaving aside services where productivity is generally hard to define, and it uses hours worked rather than total number of persons employed. Productivity estimates can be seriously biased if the relationship between employment and hours worked changes importantly. Table 11.1 provides data on productivity, defined as manufacturing output per hour worked, for the seven major OECD countries.

Table 11.1
Labour Productivity[1] in Manufacturing in Major OECD Countries

	U.S.	Canada	Japan	France	Germany	Italy	U.K.
	(average annual percentage growth rates)						
1951-1973	2.8	4.3	10.0	5.3	5.8	6.6	3.4
1967-1973	3.1	5.0	11.9	6.0	5.3	7.1	4.7
1974-1981	1.5	1.1	6.2	4.2	4.4	3.6	2.2
(Percentage point change): 1967-1973 to 1974-1981	(– 1.6)	(– 3.9)	(– 5.7)	(– 1.8)	(– 0.9)	(– 3.5)	(– 2.5)
	(annual percentage growth rates)						
1979	0.7	1.7	8.9	4.9	4.9	7.3	3.3
1980	0.2	– 3.3	6.8	1.6	1.4	5.8	0.6
1981	2.8	0.3	3.2	1.6	2.7	3.4	5.9

[1] Defined as output per hour worked.
Source: U.S. Department of Labour, Bureau of Labour Statistics, Office of Productivity and Technology, *Output per Hour, Hourly Compensation and Unit Labour Costs in Manufacturing, Eleven Countries, 1950-81*, December 1982.

Table 11.2
A Comparison of Canadian and U.S. Business Sector Labour Productivity[1], 1950 - 1981

	Total business sector		Non-farm business sector	
	U.S.	Canada	U.S.	Canada
	(average annual rates of change)			
1951-1960	2.6	4.3	2.0	3.4
1951-1965	3.0	4.2	2.4	3.3
1951-1973	2.8	4.2	2.3	3.5
1951-1981	2.3	3.4	1.9	2.7
1961-1965	3.7	4.0	3.3	3.2
1966-1973	2.4	4.1	2.1	3.7
1974-1977	1.4	1.9	1.2	1.6
1974-1981	0.8	0.9	0.6	0.7
1978-1981	0.2	– 0.1	0.0	– 0.2

[1] Defined as output per person-hour.

Source: Bureau of Labour Statistics, *Monthly Labour Review*, December, 1982; Statistics Canada, *Aggregate Productivity Measures*, cat. 14-201, October, 1982.

Table 11.3
A Comparison of Canadian and U.S. Productivity[1] Slowdowns at the Sectoral Level, 1967-1973 and 1974 -1978

	1967-1973		1974-1978		Change from 1967-1973 to 1974-1978	
	U.S.	Canada	U.S.	Canada	U.S.	Canada
	(average annual rate of change)					
	(percentage change)				(percentage points)	
Agriculture	3.8	2.8	1.9	1.2	– 1.9	– 1.6
Mining	1.6	5.9	– 4.6	– 2.9	– 6.2	– 8.8
Manufacturing	2.5	3.9	1.3	2.2	– 1.2	– 1.7
Construction	– 2.9	3.0	– 1.3	0.4	1.6	– 2.6
Transportation	2.5	5.2	0.3	0.1	– 2.2	– 5.1
Communications	4.7	4.0	7.2	5.6	2.5	1.6
Electric, gas and sanitary services	3.5	1.8	0.1	0.6	– 3.4	– 1.2
Wholesale trade	2.3	1.8	0.1	– 0.4	– 2.2	– 2.2
Retail trade	1.4	1.1	– 0.7	– 0.1	– 2.1	– 1.2
Finance, insurance and real estate	0.0	0.3	1.7	0.5	1.7	0.2
Commercial business and personal services	0.9	1.1	– 0.1	– 0.1	– 1.0	– 1.2

Note: The year prior to the first reference year serves as the base for compound annual growth rate calculations. For example, 1966 is the base year for the 1967-1973 period. Large annual fluctuations in outputs of certain sectors, such as agriculture, may significantly bias compound annual growth rates.

[1] Output per person.

Source: U.S. Department of Commerce, *Survey of Current Business*, and *National Income and Product Accounts*; Statistics Canada, *Input-Output Structure of the Canadian Economy in Constant Prices 1961-78*, cat. 15-202 and 15-509; and unpublished Statistics Canada data.

Trends in labour productivity in manufacturing among the seven major OECD countries are similar to those provided in Chapter 9. In the 1974-1981 period, productivity growth rates were the lowest in Canada and the U.S. In terms of the slowdown in manufacturing productivity growth between the 1967-1973 and 1974-1981 periods, Japan's absolute fall-off of 5.7 percentage points was again the largest, followed by Canada, where the decline was 3.9 percentage points. In both 1980 and 1981 Canadian productivity growth was the lowest among the seven countries.

A Comparison of Canadian and United States Productivity Trends

Since the Canadian and the U.S. economies have many common structural characteristics, an examination of productivity trends in the two countries to ascertain similarities and differences may provide useful insights into the causes of the current productivity slowdown.

Aggregate productivity growth in Canada was approximately 1 percentage point higher than that of the U.S. in the postwar period as indicated in Table 11.2. Business sector output per hour worked rose at a 3.4-per-cent average annual rate during the 1951-1981 period in Canada compared to an increase of 2.3 per cent in the U.S. The comparable figures for the non-farm business sector are 2.7 per cent and 1.9 per cent respectively. However, Canada's superior average performance was concentrated in the pre-1974 period. Since 1974 aggregate productivity trends in the two countries have been remarkably similar, as business sector productivity grew at an annual average rate of 0.8 per cent in the 1974-1981 period in the U.S. and 0.9 per cent in Canada (0.6 per cent versus 0.7 per cent for the non-farm business sector). Consequently, the productivity slowdown has been more acute in Canada than in the U.S. For example, business sector productivity growth fell 3.3 percentage points between the 1951-1973 and 1974-1981 periods in Canada versus a decline of 2.0 percentage points in the U.S. (The respective figures for the non-farm business sector are 2.8 per cent and 1.7 per cent:) The difference between the U.S. and Canadian productivity slowdowns is even larger when the 1974-1981 period is compared with the shorter 1966-1973 period. Over this period, average annual productivity growth declined 3.2 percentage points in Canada and 1.6 percentage points in the U.S. for the business sector. Another common feature of productivity trends in the two countries is a second significant deceleration of productivity growth in the post-1977 period relative to the 1974-1977 period. This second productivity slowdown was again more acute in Canada as business sector productivity growth fell 2.0 percentage points between those two periods versus a decline of 1.2 percentage points in the U.S. Indeed, in the 1978-1981 period, average productivity actually declined slightly in Canada and showed about zero change in the U.S.

A sectoral comparison of Canadian and U.S. productivity is provided in Table 11.3. In the 1967-1973 period, productivity growth rates in Canada were higher in six of 11 sectors, with rates that were significantly higher – by more than 2 percentage points – in mining, construction and transportation. On the other hand, in the 1974-1978 period, there were no industries where productivity differentials exceeded 2 percentage points. In terms of the slowdown in productivity growth between periods, Table 11.3 indicates that roughly the same industries were affected or not affected in the two countries by the slowdown. In both countries communications, and finance, insurance and real estate industries experienced higher productivity growth in the post-1973 period. In the U.S., construction productivity has also improved over time but not in Canada. In all other industries, productivity growth slowed in both countries. The largest slowdown in productivity occurred in mining, with significant – over 3 percentage points – fall-offs taking place in transportation in Canada and electric, gas and sanitary services in the U.S. Agriculture, manufacturing, wholesale trade, retail trade and commercial business and personal services experienced lesser slowdowns.

Factors Responsible for the Productivity Slowdown in Canada and the United States

A number of factors have been advanced as possible explanations for the productivity slowdown. These are discussed below. However, it is important to point out that the causes are not yet fully understood and this discussion is therefore put

forward with a view to reviewing briefly alternative hypotheses, rather than drawing very firm conclusions.

Some observers have suggested that the productivity slowdown may be a statistical illusion caused by an underestimation of real output due to the growth of the underground economy, difficulty in defining output represented by new products such as computers, and inadequate measures of output of service industries. However, all these problems existed before 1974 and there is no clear basis for expecting them to have become more important in recent years.

The transfer of workers from low productivity jobs in the agricultural sector into higher productivity employment in other sectors was a significant source of productivity growth in the pre-1974 period. To some extent, this source of productivity growth was counterbalanced by an increased flow of labour to the lower productivity service sector during that period. After 1974, the flow of labour to the service sector has continued and even accelerated but the movement of labour from agriculture to higher productivity industries has stopped. Some estimates suggest that a quarter of the recent decline in productivity growth may have been caused by this factor.

More rapid output growth also causes an increase in productivity through economies of scale, larger production runs, learning by doing and higher rates of capacity utilization. Since 1974, growth of aggregate demand has slowed significantly, and this in itself would explain part of the slowdown in productivity growth, due to the reduced importance of the factors noted above.

The slower rate of growth of capital stock is sometimes advanced as a possible source of productivity slowdown. However, data do not tend to support this hypothesis. The share of business investment in GNE in both Canada and the U.S. was, on average, higher in the post-1974 period than in the 1966-1973 period. The same applies to the growth of capital stock over these two periods. A better indicator of the contribution of this factor to productivity slowdown is the change in the capital-to-labour ratio; this ratio has also not generally declined in the post-1974 period relative to the 1966-1973 period, and consequently this explanation also does not appear to hold much validity, at least at the economy-wide level. It may be important, however, in certain industry sectors.

It has also been argued at times that capital stock data based on historical depreciation rates overstate the true stock of capital because large increases in energy prices since the 1974 oil price shock have made a significant portion of the existing stock obsolete. It is difficult to verify the validity of this claim which is theoretically plausible.

The timing of both the steep decline in productivity growth and the energy price shock in 1974 suggests a close relationship between the two. Large energy price increases since 1974 have reduced the use of energy in the production process. It could also have made some capital stock obsolete as noted above. Since total output is a function of the amounts of factor inputs used, including energy, the growth in total output was expected to fall, unless offset by increases in the capital stock. The contribution of this factor to productivity slowdown is again difficult to determine.

A slower rate of technical change may also have caused a slowdown in measured productivity growth. One indicator of this deceleration in technical change is the amount of resources devoted to research and development (R&D). Data for the U.S. and Canada on government and private sector spending on R&D do not lend support to this hypothesis. Business sector R&D expenditure as a share of GNP has generally increased in both Canada and the U.S. since 1967. Total R&D spending, including both business and government, also did not slow down in the post-1974 period. It can be argued that technical change may have autonomously slowed down in recent years. However, it is difficult to substantiate such a hypothesis.

Since the slowdown in productivity growth occurred simultaneously with a surge in inflation, some explanations have attempted to link the two. Unanticipated inflation may slow productivity growth by causing an inefficient mix of factor inputs as the direction of future changes in relative factor and commodity prices becomes uncertain. Another effect of inflation on productivity may be through the tax system since many types of tax rates may not be inflation-proof and could adversely affect business operations. It is

difficult to estimate the contribution of this factor, particularly since cause and effect may have worked in the other direction, with lower productivity growth contributing to inflation.

Increased government regulation in both Canada and the U.S. over the past decade in areas of environmental matters and worker safety has required a greater diversion of resources to uses which do not increase measured output and hence reduce measured productivity. It is again difficult to quantify how significant this factor is.

Changes in the age-sex composition of the labour force have also been alleged to affect productivity growth adversely. The proportion of women in the work force has increased rapidly in recent years. However, this argument does not address the issue of why productivity growth slowed after 1974, because the trend towards increased female participation was as rapid before 1974 as after.

A large number of additional factors – even more difficult to measure or to test than the above – have been suggested to explain the productivity slowdown. These include: the depletion of natural resources as high quality, easily accessible oil and gas deposits and ore bodies have become exhausted; a decline in the work ethic; a deterioration in the quality of management; and the increased frequency of shocks to the system, such as the oil price shocks, which make it difficult to determine the lowest-cost inputs in making production decisions.

Canada – United States Comparison of Cyclical Behaviour of Output and Productivity[1]

Canadian and U.S. business cycles over the last 20 years have not differed much in timing but have differed significantly in terms of their severity. As shown in Table 11.4, the average Canadian output decline in the last six recessions, excluding the most recent one in 1981-1982, was 1.2 per cent compared to 2.7 per cent in the U.S. Even including the last recession, which was significantly more severe in Canada than previous ones and about average in the U.S., the average decline in Canadian output at 2.1 per cent was less than in the U.S. at 2.7 per cent. These differences also apply during upturns, as increases in Canadian output averaged 4.9 per cent over the first four quarters following the output trough compared to an average increase of 5.5 per cent in the U.S. Thus, business cycles in Canada were, on average, milder than in the U.S. with output declining less during downturns and increasing less during early phases of the upturns.

Table 11.4 also provides estimates of productivity elasticities – defined as ratios of percentage changes in productivity to percentage changes in output. By standardizing output changes, these ratios facilitate productivity comparisons across countries and over time. If a productivity elasticity is greater than one, then productivity changes during a cyclical upswing or downswing exceed output changes, implying that output and employment move in opposite directions in the short run. Productivity elasticities of less than one indicate that short-run movements in output and employment are in the same direction.

Productivity elasticities in both countries were large during mild recessions as employment increased simultaneously with declines in output, although at a slightly slower rate than in the year preceding the output peak. The elasticities were, however, particularly large for Canada as employment increases in Canada during mild recessions significantly outpaced those in the U.S.

The two countries experienced substantially different productivity and employment reactions to more substantial output declines ranging from 1.5 per cent to 4.0 per cent. In Canada, these recessions (1953, 1960 and 1979) were again accompanied by large productivity elasticities, as employment continued to increase despite the recession. Employment growth was, however, slower than in milder recessions. In sharp contrast, recessions of this depth in the U.S. (1953, 1957, 1973, 1980 and 1981) were sufficient to generate significant declines in employment. In the most recent Canadian recession, where the output decline from the second quarter of 1981 to the fourth quarter of 1982 was 7.5 per cent,

[1] Readers interested in knowing details of the methodology used for this analysis should contact the Macro-Analysis Section of the Economic Analysis Division at the Department of Finance. Productivity in this analysis is defined as real GNE per employed person because these are the only data available to the end of 1982 at the time of writing.

Table 11.4
The Cyclical Behaviour of Output, Employment and Productivity in Canada and the U.S.

Canada

Dates: Peak to trough	Peak to trough[1]				Four quarters following output trough			
	Output	Productivity[2]	Productivity elasticity	Employment	Output	Productivity[2]	Productivity elasticity	Employment
	(percentage changes)							
1953:4-1954:2	– 3.1	– 3.4	1.1	0.4	9.4	6.9	0.7	2.3
1956:4-1957:4	– 0.3	– 1.5	5.0	1.2	4.7	4.6	1.0	0.1
1960:1-1960:2	– 1.7	– 1.9	1.1	0.2	3.9	2.4	0.6	1.6
1969:4-1970:1	– 0.05	– 0.3	6.0	0.2	4.0	2.1	0.5	1.9
1974:1-1974:3	– 0.6	– 2.3	3.8	1.7	1.8	0.3	0.2	1.6
1979:4-1980:2	– 1.5	– 1.9	1.3	0.5	5.5	1.9	0.3	3.6
1981:2-1982:4	– 7.5	– 2.6	0.3	– 5.0	—	—	—	—
Average:								
Total	– 2.1	– 2.0	1.0	– 0.1	4.9	3.0	0.6	1.9
Excl. 1981-1982	– 1.2	– 1.8	1.5	0.7	—	—	—	—

United States

Dates: Peak to trough	Peak to trough				Four quarters following output trough			
	Output	Productivity[2]	Productivity elasticity	Employment	Output	Productivity[2]	Productivity elasticity	Employment
	(percentage changes)							
1953:2-1954:2	– 3.2	– 1.0	0.3	– 2.2	7.4	4.5	0.6	2.7
1957:3-1958:1	– 3.4	– 1.5	0.4	– 1.9	6.9	5.3	0.8	1.6
1960:1-1960:4	– 1.2	– 2.1	1.8	0.9	6.4	6.2	1.0	0.3
1969:3-1970:1	– 1.0	– 1.8	1.8	0.8	2.8	2.9	1.0	– 0.1
1973:4-1975:1	– 4.8	– 3.8	0.8	– 0.9	6.7	3.9	0.6	2.7
1980:1-1980:2	– 2.5	– 1.7	0.7	– 0.8	3.0	1.2	0.4	1.8
1981:3-1982:1	– 2.6	– 1.6	0.6	– 1.0	—	—	—	—
Average:								
Total	– 2.7	– 1.9	0.7	– 0.7	5.5	4.0	0.7	1.5
Excl. 1981-1982	– 2.7	– 2.0	0.7	– 0.7	—	—	—	—

[1] The dates of the downturns reflect periods of declining real GNE.

[2] The productivity data reported are based on actual changes which include both trend and cyclical components. Ideally, one should exclude trend changes in productivity from these estimates to obtain only the cyclical element. This has not been done to keep the analysis simple and also because the revised estimates do not affect the conclusions reported.

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001, and *National Income and Expenditure Accounts*, quarterly, cat. 13-001; U.S. Department of Labour, *Employment and Earnings*; and U.S. Department of Commerce, Bureau of Economic Analysis, *Survey of Current Business*.

about six times larger than the average for Canada, the productivity elasticity was similar to that in the U.S. This was, therefore, the first Canadian recession in the last 20 years when employment declined simultaneously with a reduction in output. To a very large extent, this was caused by the depth of the recession itself. Other contributing factors were record levels of interest rates, the length of the recession, declining business confidence, and the poor profitability situation of Canadian industries; these factors speeded up the employment response to changes in output.

The cyclical differences in productivity patterns between Canada and the U.S. are equally pronounced during periods of recovery, as shown in Tables 11.4 and 11.5. Note the following interesting features of this comparison. First, in contrast to the downturns, productivity elasticities during upturns, on average, were smaller in Canada than in the U.S. This implies that the positive employment response during upturns was relatively stronger in Canada. Second, as shown in Table 11.5, in the four quarters following the output trough, Canadian productivity growth at 1½ times the trend rate was significantly less than the average of 2½ times the trend rate in the U.S. This implies that the recovery in Canadian productivity to trend levels lagged significantly behind the U.S. Third, a comparison of productivity in Canada during upturns and downturns indicates an asymmetry – productivity elasticities are, on average, greater than one during downturns and less than one during upturns. Thus, on average, and indeed in every previous recession examined prior to the most recent one, employment in Canada increased both during recessions and upswings. In the U.S., both elasticities are less than one, on average, implying that employment and output in the U.S. generally moved in the same direction.

Table 11.5
Productivity Growth in Canada and the U.S. During Recoveries
(Cumulative change over four quarters following output trough)

Canada

Trough	Actual productivity	Trend productivity	Actual/trend productivity
		(percentage change)	
1954:2	6.9	2.4	2.9
1957:4	4.6	2.1	2.2
1960:2	2.4	2.1	1.1
1970:1	2.1	2.3	0.9
1974:3	0.3	1.3	0.2
1980:2	1.9	n.a.	n.a.
Average	3.0	2.0	1.5

United States

Trough	Actual productivity	Trend productivity	Actual/trend productivity
		(percentage change)	
1954:2	4.5	1.5	3.0
1958:1	5.3	2.5	2.1
1960:4	6.2	2.5	2.5
1970:1	2.9	1.2	2.4
1975:1	3.9	0.5	7.8
1980:2	1.2	n.a.	n.a.
Average	4.0	1.6	2.5

n.a.: Not available
Source: Table 11.1 and Department of Finance estimates.

Reference Tables

Note: Data in these tables were the latest available at the time of preparation. Statistics are revised, and users are requested to consult the sources for the most up-to-date figures.

Where available, CANSIM identification numbers (D for Statistics Canada and B for Bank of Canada) have been given at the heads of columns to assist readers who have access to machine-readable data and to provide a more detailed cross reference to publications. Where two numbers are given, the top number represents unadjusted data and the bottom number represents seasonally adjusted data.

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Reference Table 1
Demographic Developments
1947 – 1982

Year	Population as of June	Birth rate	Death rate	Natural rate of increase	Immigration rate	Annual growth rate of population	Number of families	Net family formation
	(Thousands of persons)	(Per thousand of population)				(Per cent)	(Thousands)	
1947	12,551	28.7	9.4	19.3	5.0	2.1	n.a.	n.a.
1948	12,823	27.3	9.3	17.8	9.8	2.2	n.a.	n.a.
1949	13,447	27.3	9.3	18.0	7.1	4.9	n.a.	n.a.
1950	13,712	27.1	9.1	18.0	5.4	2.0	n.a.	n.a.
1951	14,009	27.2	9.0	18.2	14.0	2.2	3,282	n.a.
1952	14,459	27.9	8.7	19.2	11.5	3.2	3,360	78
1953	14,845	28.1	8.6	19.5	11.5	2.7	3,423	63
1954	15,287	28.5	8.2	20.3	10.2	3.0	3,537	114
1955	15,698	28.2	8.2	20.0	7.1	2.7	3,625	88
1956	16,061	28.0	8.2	19.8	10.4	2.4	3,705	81
1957	16,610	28.2	8.2	20.0	17.0	3.3	3,796	90
1958	17,080	27.5	8.0	19.6	7.4	2.8	3,898	102
1959	17,483	27.4	8.1	19.4	6.2	2.4	3,982	84
1960	17,870	26.8	7.9	19.1	5.9	2.2	4,081	99
1961	18,238	26.1	7.8	18.5	3.5	2.1	4,140	59
1962	18,583	25.3	7.8	17.5	4.1	1.9	4,189	49
1963	18,931	24.6	7.8	16.8	5.0	1.9	4,258	69
1964	19,291	23.5	7.6	15.9	5.9	1.9	4,341	83
1965	19,644	21.3	7.6	13.7	7.5	1.8	4,432	91
1966	20,015	19.5	7.6	11.9	9.8	1.9	4,518	86
1967	20,378	18.3	7.4	10.9	11.0	1.8	4,608	90
1968	20,701	17.7	7.4	10.3	8.9	1.6	4,696	88
1969	21,001	17.7	7.4	10.3	7.7	1.4	4,807	110
1970	21,297	17.5	7.3	10.2	7.0	1.4	4,908	101
1971	21,568	16.8	7.3	9.5	5.7	1.3	5,043	135
1972	21,802	15.9	7.5	8.4	5.6	1.1	5,168	125
1973	22,043	15.6	7.4	8.2	8.4	1.1	5,299	131
1974	22,364	15.5	7.5	8.0	9.8	1.5	5,445	146
1975	22,697	15.8	7.4	8.4	8.3	1.5	5,589	144
1976	22,993	15.6	7.3	8.3	6.5	1.3	5,715	127
1977	23,287	15.6	7.3	8.3	4.9	1.3	5,810	96
1978	23,534	15.2	7.1	8.1	3.7	1.1	5,896	86
1979	23,769	15.4	7.1	8.3	4.7	1.0	5,969	73
1980	24,058	15.4	7.1	8.3	5.9	1.2	6,053	84
1981	24,342	15.2	7.0	8.2	5.3	1.2	n.a.	n.a.
1982	24,603	15.1	7.0	8.2	4.8	1.1	n.a.	n.a.

Source: Statistics Canada, *Vital Statistics*, annual, cat. 84-201 and monthly, cat. 84-001; Statistics Canada, *Estimates of Families in Canada*, cat. 91-204; and Department of Employment and Immigration.

Reference Table 2
Population by Province[1]
1955 – 1982

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.
D	15	16	17	18	19	20	21	22	23	24	25 + 26
						(Thousands)					
1955	406	100	683	547	4,517	5,266	839	878	1,091	1,342	29
1956	415	99	695	555	4,628	5,405	850	881	1,123	1,399	32
1957	424	99	701	562	4,769	5,636	862	880	1,164	1,482	31
1958	432	100	709	571	4,904	5,821	875	891	1,206	1,538	33
1959	441	101	719	582	5,024	5,969	891	907	1,248	1,567	34
1960	448	103	727	589	5,142	6,111	906	915	1,291	1,602	36
1961	458	105	737	598	5,259	6,236	922	925	1,332	1,629	38
1962	468	107	746	605	5,371	6,351	936	930	1,369	1,660	40
1963	476	108	751	609	5,481	6,481	949	933	1,403	1,699	41
1964	483	109	755	611	5,584	6,631	959	942	1,430	1,745	42
1965	488	109	756	615	5,685	6,788	965	950	1,450	1,797	41
1966	493	109	756	617	5,781	6,961	963	955	1,463	1,874	43
1967	499	109	760	620	5,864	7,127	963	957	1,490	1,945	44
1968	506	110	767	625	5,928	7,262	971	960	1,524	2,003	45
1969	514	111	775	628	5,985	7,385	979	958	1,559	2,060	47
1970	517	110	782	627	6,013	7,551	983	941	1,595	2,128	50
1971	522	112	789	635	6,028	7,703	988	926	1,628	2,185	53
1972	530	113	795	640	6,054	7,810	991	914	1,657	2,241	57
1973	537	114	804	647	6,079	7,909	996	905	1,690	2,302	60
1974	541	115	812	654	6,123	8,054	1,008	900	1,722	2,376	60
1975	549	117	820	665	6,179	8,172	1,014	907	1,778	2,433	63
1976	558	118	829	677	6,235	8,265	1,022	921	1,838	2,467	64
1977	560	120	833	684	6,295	8,355	1,028	935	1,911	2,500	65
1978	562	121	838	689	6,312	8,444	1,032	944	1,984	2,542	67
1979	563	122	842	693	6,347	8,504	1,030	952	2,059	2,590	67
1980	565	123	845	696	6,391	8,574	1,026	961	2,143	2,666	68
1981	568	122	847	696	6,438	8,625	1,026	968	2,237	2,744	69
1982	571	123	853	701	6,470	8,700	1,036	981	2,315	2,783	70
						(Per cent change)					
1955	2.8	−1.0	1.5	1.3	2.9	3.0	1.9	0.6	3.2	3.6	7.4
1956	2.2	−0.7	1.7	1.4	2.5	2.6	1.3	0.3	2.9	4.2	8.6
1957	2.1	−0.3	0.9	1.3	3.0	4.3	1.4	−0.8	3.6	6.0	−1.6
1958	1.9	1.0	1.1	1.6	2.8	3.3	1.5	1.3	3.6	3.8	6.5
1959	2.1	1.0	1.4	1.9	2.4	2.5	1.8	1.8	3.5	1.9	3.0
1960	1.6	2.0	1.1	1.2	2.3	2.4	1.7	0.9	3.4	2.2	5.9
1961	2.2	1.6	1.4	1.5	2.3	2.0	1.7	1.1	3.2	1.7	4.4
1962	2.2	2.3	1.2	1.2	2.1	1.8	1.6	0.5	2.8	1.9	6.5
1963	1.7	0.9	0.7	0.7	2.0	2.0	1.4	0.3	2.5	2.3	2.5
1964	1.5	0.9	0.5	0.3	1.9	2.3	1.1	1.0	1.9	2.7	2.4
1965	1.0	0.0	0.1	0.7	1.8	2.4	0.6	0.8	1.4	3.0	−2.4
1966	1.1	−0.5	0.0	0.3	1.7	2.5	−0.2	0.6	0.9	4.3	5.1
1967	1.1	0.5	0.5	0.5	1.4	2.4	−0.1	0.2	1.8	3.8	2.1
1968	1.4	0.9	0.9	0.8	1.1	1.9	0.8	0.3	2.3	3.0	2.3
1969	1.6	0.9	1.0	0.5	1.0	1.7	0.8	−0.2	2.3	2.8	4.4
1970	0.6	−0.9	0.9	−0.2	0.5	2.2	0.4	−1.8	2.3	3.3	6.4
1971	1.0	1.5	0.9	1.2	0.2	2.0	0.5	−1.6	2.1	2.7	6.4
1972	1.5	0.9	0.7	0.9	0.4	1.4	0.3	−1.3	1.8	2.6	6.8
1973	1.4	1.2	1.2	1.1	0.4	1.3	0.5	−1.0	1.9	2.7	5.5
1974	0.8	1.1	0.9	1.0	0.7	1.8	1.1	−0.5	1.9	3.2	0.3
1975	1.4	1.6	1.0	1.8	0.9	1.5	0.6	0.9	3.2	2.4	4.0
1976	1.6	0.9	1.1	1.8	0.9	1.1	0.8	1.5	3.4	1.4	3.0
1977	0.5	1.4	0.5	1.0	1.0	1.1	0.6	1.4	4.0	1.3	1.1
1978	0.2	1.3	0.5	0.7	0.3	1.1	0.3	1.0	3.8	1.7	2.6
1979	0.2	0.5	0.6	0.5	0.6	0.7	−0.2	1.0	3.8	1.9	0.7
1980	0.4	0.8	0.4	0.5	0.7	0.8	−0.4	0.9	4.1	3.0	0.3
1981	0.4	−0.3	0.3	0.0	0.7	0.6	0.0	0.7	4.4	2.9	2.1
1982	0.6	0.2	0.6	0.6	0.5	0.9	0.9	1.4	3.5	1.4	2.2

Reference Table 2 (continued)
Population by Province[1]
1955 – 1982

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.
	(Percentage distribution of total among provinces)										
1955	2.6	0.6	4.4	3.5	28.8	33.5	5.3	5.6	6.9	8.5	0.2
1956	2.6	0.6	4.3	3.4	28.8	33.6	5.3	5.5	7.0	8.7	0.2
1957	2.6	0.6	4.2	3.4	28.7	33.9	5.2	5.3	7.0	8.9	0.2
1958	2.5	0.6	4.2	3.3	28.7	34.1	5.1	5.2	7.1	9.0	0.2
1959	2.5	0.6	4.1	3.3	28.7	34.1	5.1	5.2	7.1	9.0	0.2
1960	2.5	0.6	4.1	3.3	28.8	34.2	5.1	5.1	7.2	9.0	0.2
1961	2.5	0.6	4.0	3.3	28.8	34.2	5.1	5.1	7.3	8.9	0.2
1962	2.5	0.6	4.0	3.3	28.9	34.2	5.0	5.0	7.4	8.9	0.2
1963	2.5	0.6	4.0	3.2	29.0	34.2	5.0	4.9	7.4	9.0	0.2
1964	2.5	0.6	3.9	3.2	28.9	34.4	5.0	4.9	7.4	9.0	0.2
1965	2.5	0.6	3.8	3.1	28.9	34.6	4.9	4.8	7.4	9.1	0.2
1966	2.5	0.5	3.8	3.1	28.9	34.8	4.8	4.8	7.3	9.4	0.2
1967	2.4	0.5	3.7	3.0	28.8	35.0	4.7	4.7	7.3	9.5	0.2
1968	2.4	0.5	3.7	3.0	28.6	35.1	4.7	4.6	7.4	9.7	0.2
1969	2.4	0.5	3.7	3.0	28.5	35.2	4.7	4.6	7.4	9.8	0.2
1970	2.4	0.5	3.7	2.9	28.2	35.5	4.6	4.4	7.5	10.0	0.2
1971	2.4	0.5	3.7	2.9	27.9	35.7	4.6	4.3	7.5	10.1	0.2
1972	2.4	0.5	3.6	2.9	27.8	35.8	4.5	4.2	7.6	10.3	0.3
1973	2.4	0.5	3.6	2.9	27.6	35.9	4.5	4.1	7.7	10.4	0.3
1974	2.4	0.5	3.6	2.9	27.4	36.0	4.5	4.0	7.7	10.6	0.3
1975	2.4	0.5	3.6	2.9	27.2	36.0	4.5	4.0	7.8	10.7	0.3
1976	2.4	0.5	3.6	2.9	27.1	35.9	4.4	4.0	8.0	10.7	0.3
1977	2.4	0.5	3.6	2.9	27.0	35.9	4.4	4.0	8.2	10.7	0.3
1978	2.4	0.5	3.6	2.9	26.8	35.9	4.4	4.0	8.4	10.8	0.3
1979	2.4	0.5	3.5	2.9	26.7	35.8	4.3	4.0	8.7	10.9	0.3
1980	2.3	0.5	3.5	2.9	26.6	35.6	4.3	4.0	8.9	11.1	0.3
1981	2.3	0.5	3.5	2.9	26.4	35.4	4.2	4.0	9.2	11.3	0.3
1982	2.3	0.5	3.5	2.8	26.3	35.4	4.2	4.0	9.4	11.3	0.3

[1]Population as of June.

Source: Statistics Canada, *Annual Estimates of Population for Canada and Provinces at June 1st*, annual, cat. 91-201.

Reference Table 3
Gross National Expenditure
1947 – 1982

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure at market prices
			Total	Government	Business	Housing					
D	40014 40254	40015 40255	40016 40256	40017 40257		40022 40262	40025 40265	40029 40269	40030 40270	40031 40271	40548 40551
					(Millions of dollars)						
1947	9,362	1,343	2,350	304	1,591	455	343	3,661	−3,601	15	13,473
1948	10,370	1,454	3,057	424	1,974	659	97	4,055	−3,630	106	15,509
1949	11,365	1,722	3,439	456	2,188	795	78	4,004	−3,853	45	16,800
1950	12,482	1,928	3,862	521	2,388	953	549	4,158	−4,492	4	18,491
1951	13,857	2,811	4,424	640	2,950	834	871	5,052	−5,580	205	21,640
1952	15,162	3,620	5,096	779	3,371	946	499	5,568	−5,369	12	24,588
1953	16,181	3,824	5,733	782	3,699	1,252	600	5,380	−5,806	−79	25,833
1954	16,934	3,825	5,714	873	3,429	1,412	−202	5,137	−5,543	53	25,918
1955	18,388	4,036	6,422	948	3,689	1,785	285	5,749	−6,390	38	28,528
1956	20,090	4,426	8,000	1,144	5,031	1,825	985	6,350	−7,664	−129	32,058
1957	21,492	4,573	8,689	1,327	5,693	1,669	170	6,379	−7,767	−23	33,513
1958	22,845	4,854	8,535	1,397	5,049	2,089	−296	6,329	−7,321	−169	34,777
1959	24,390	4,976	8,647	1,508	5,006	2,133	414	6,674	−8,028	−227	36,846
1960	25,479	5,281	8,473	1,560	5,119	1,794	409	7,004	−8,092	−195	38,359
1961	25,930	6,206	8,392	1,674	4,929	1,789	116	7,624	−8,480	−142	39,646
1962	27,452	6,608	8,885	1,903	5,128	1,854	667	8,234	−9,045	126	42,927
1963	29,225	6,982	9,556	1,985	5,612	1,959	669	9,068	−9,561	39	45,978
1964	31,389	7,593	11,205	2,023	6,800	2,382	553	10,503	−10,913	−50	50,280
1965	33,947	8,358	13,179	2,440	8,105	2,634	1,244	11,182	−12,341	−205	55,364
1966	36,890	9,748	15,361	2,841	9,915	2,605	1,225	13,045	−14,259	−182	61,828
1967	39,972	11,153	15,628	2,954	9,865	2,809	260	14,663	−15,234	−33	66,409
1968	43,704	12,684	15,754	2,983	9,518	3,253	745	16,719	−17,010	−10	72,586
1969	47,492	14,241	17,232	3,055	10,332	3,845	1,467	18,761	−19,821	443	79,815
1970	50,327	16,630	18,015	3,173	11,342	3,500	105	21,167	−20,214	−345	85,685
1971	55,616	18,368	20,800	3,754	12,230	4,816	392	22,181	−22,016	−891	94,450
1972	62,208	20,291	23,051	3,968	13,263	5,820	544	24,580	−25,250	−190	105,234
1973	71,278	23,037	27,848	4,305	16,156	7,387	1,588	30,718	−30,954	45	123,560
1974	83,388	27,816	34,260	5,462	20,022	8,776	3,451	38,992	−41,009	630	147,528
1975	96,995	33,380	40,044	6,323	24,489	9,232	−239	40,452	−45,589	300	165,343
1976	110,886	38,325	44,895	6,318	26,256	12,321	1,563	45,601	−49,973	−266	191,031
1977	122,530	43,374	48,193	6,790	28,597	12,806	374	52,548	−57,262	−889	208,868
1978	135,153	47,811	52,261	7,140	31,598	13,523	494	62,985	−67,970	−244	230,490
1979	150,521	52,301	60,654	7,397	39,113	14,144	−3,711	77,181	−82,807	15	261,576
1980	168,395	58,538	68,905	8,277	46,635	13,993	−1,754	90,944	−93,287	128	291,869
1981	191,025	66,749	80,802	9,524	55,131	16,147	653	99,468	−106,375	−984	331,338
1982	205,952	75,748	76,393	10,620	53,039	12,734	−8,692	100,395	−99,150	−1,721	348,925

Reference Table 3 (continued)
Gross National Expenditure
1947 – 1982

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Gross national expenditure at market prices
			Total	Government	Business	Housing			
					(Per cent change)				
1948	10.8	8.3	30.1	39.5	24.1	44.8	10.8	0.8	15.1
1949	9.6	18.4	12.5	7.5	10.8	20.6	−1.3	6.1	8.3
1950	9.8	12.0	12.3	14.3	9.1	19.9	3.8	16.6	10.1
1951	11.0	45.8	14.6	22.8	23.5	−12.5	21.5	24.2	17.0
1952	9.4	28.8	15.2	21.7	14.3	13.4	10.2	−3.6	13.6
1953	6.7	5.6	12.5	0.4	9.7	32.3	−3.4	8.1	5.1
1954	4.7	0.0	−0.3	11.6	−7.3	12.8	−4.5	−4.5	0.3
1955	8.6	5.5	12.4	8.6	7.6	26.4	11.9	15.3	10.1
1956	9.3	9.7	24.6	20.7	36.4	2.2	10.5	19.9	12.4
1957	7.0	3.3	8.6	16.0	13.2	−8.5	0.5	1.3	4.5
1958	6.3	6.1	−1.8	5.3	−11.3	25.2	−0.8	5.7	3.8
1959	6.8	2.5	1.3	7.9	−0.9	2.1	5.5	9.7	5.9
1960	4.5	6.1	−2.0	3.4	2.3	−15.9	4.9	0.8	4.1
1961	1.8	17.5	−1.0	7.3	−3.7	−0.3	8.9	4.8	3.4
1962	5.9	6.5	5.9	13.7	4.0	3.6	8.0	6.7	8.3
1963	6.5	5.7	7.6	4.3	9.4	5.7	10.1	−5.7	7.1
1964	7.4	8.8	17.3	1.9	21.2	21.6	15.8	14.1	9.4
1965	8.1	10.1	17.6	20.6	19.2	10.6	6.5	13.1	10.1
1966	8.7	16.6	16.6	16.4	22.3	−1.1	16.7	15.5	11.7
1967	6.4	14.4	1.7	4.0	−0.5	7.8	12.4	6.8	7.4
1968	9.3	13.7	0.8	1.0	−3.5	15.8	14.0	11.7	9.3
1969	8.7	12.3	9.4	2.4	8.6	18.2	12.2	16.5	10.0
1970	6.0	16.6	4.5	3.9	9.8	−9.0	12.8	2.0	7.4
1971	10.5	10.5	15.5	18.3	7.8	37.6	4.8	8.9	10.2
1972	11.9	10.5	10.8	5.7	8.4	20.8	10.8	14.7	11.4
1973	14.6	13.5	20.8	8.5	21.8	26.9	25.0	22.6	17.4
1974	17.0	20.7	23.0	26.9	23.9	18.8	26.9	32.5	19.4
1975	16.3	20.0	16.9	15.8	22.3	5.2	3.7	11.2	12.1
1976	14.3	14.8	12.1	−0.1	7.2	33.5	12.7	9.6	15.5
1977	10.5	13.2	7.3	7.5	8.9	3.9	15.2	14.6	9.3
1978	10.3	10.2	8.4	5.2	10.5	5.6	19.9	18.7	10.3
1979	11.4	9.4	16.1	3.6	23.8	4.6	22.5	21.8	13.5
1980	11.9	11.9	13.6	11.9	19.2	−1.1	17.8	12.7	11.6
1981	13.4	14.0	17.3	15.1	18.2	15.4	9.4	14.0	13.5
1982	7.8	13.5	−5.5	11.5	−3.8	−21.1	0.9	−6.8	5.3

Source: Statistics Canada, *National Income and Expenditure Accounts*, annual, cat. 13-531, and quarterly, cat. 13-001.

Reference Table 4
Gross National Expenditure in Constant 1971 Dollars
1947 – 1982

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure in constant 1971 dollars
			Total	Government	Business[1]	Housing					
D	40562 40594	40568 40600	40569 40601	40570 40602		40576 40608	40581 40613	40586 40618	40588 40620	40540 40622	40561 40593
					(Millions of dollars)						
1947	18,546	4,747	5,316	627	3,604	1,085	672	6,170	−6,411	39	29,498
1948	18,099	4,504	6,103	779	3,982	1,342	109	6,375	−5,781	211	30,231
1949	19,138	4,982	6,553	806	4,195	1,552	215	5,997	−5,939	83	31,388
1950	20,394	5,367	7,042	884	4,385	1,773	789	5,956	−6,469	10	33,762
1951	20,546	7,000	7,068	915	4,807	1,346	1,025	6,513	−7,277	333	35,450
1952	21,984	8,624	7,892	1,090	5,303	1,499	481	7,260	−7,527	20	38,617
1953	23,512	8,890	8,861	1,162	5,732	1,967	752	7,185	−8,151	−124	40,605
1954	24,375	8,549	8,858	1,296	5,325	2,237	−238	6,917	−7,761	86	40,106
1955	26,456	8,736	9,678	1,308	5,594	2,776	410	7,442	−8,799	61	43,891
1956	28,440	8,956	11,446	1,425	7,227	2,794	1,144	8,002	−10,215	−187	47,599
1957	29,504	8,807	12,262	1,751	8,026	2,485	249	8,075	−10,096	−31	48,718
1958	30,562	9,074	12,126	1,942	7,064	3,120	−280	8,047	−9,386	−239	49,844
1959	32,264	8,999	12,191	2,090	6,911	3,190	468	8,360	−10,357	−317	51,737
1960	33,392	9,218	11,790	2,142	7,017	2,631	523	8,717	−10,347	−271	53,231
1961	33,761	10,494	11,748	2,378	6,768	2,602	251	9,374	−10,559	−196	54,741
1962	35,272	10,911	12,278	2,664	6,910	2,704	756	9,744	−10,769	175	58,475
1963	36,992	11,070	12,841	2,682	7,365	2,794	764	10,631	−11,125	54	61,487
1964	39,218	11,637	14,549	2,652	8,633	3,264	655	12,058	−12,595	−64	65,610
1965	41,606	12,253	16,259	3,003	9,843	3,413	1,441	12,606	−14,140	−256	69,981
1966	43,778	13,388	18,015	3,307	11,540	3,168	1,385	14,315	−15,989	−215	74,844
1967	45,863	14,343	17,942	3,403	11,310	3,229	253	15,770	−16,805	−31	77,344
1968	48,138	15,429	17,964	3,430	10,832	3,702	771	17,727	−18,284	−6	81,864
1969	50,353	15,993	18,850	3,350	11,325	4,175	1,518	19,462	−20,727	491	86,225
1970	51,526	17,650	18,904	3,329	11,857	3,718	84	21,223	−20,588	−341	88,390
1971	55,616	18,368	20,800	3,754	12,230	4,816	392	22,181	−22,016	−891	94,450
1972	59,841	18,930	21,955	3,772	12,751	5,432	515	23,655	−24,489	−159	100,248
1973	63,879	19,795	24,384	3,751	14,667	5,966	1,346	26,156	−27,824	76	107,812
1974	67,160	20,584	25,694	3,957	15,802	5,935	2,642	25,620	−30,538	516	111,678
1975	70,645	21,399	26,661	4,127	17,031	5,503	−252	23,993	−29,684	243	113,005
1976	75,251	21,689	27,397	3,860	16,973	6,564	988	26,225	−32,166	−135	119,249
1977	77,416	22,392	27,173	3,859	17,162	6,152	82	28,046	−32,844	−503	121,762
1978	79,539	22,797	27,166	3,769	17,355	6,042	244	30,958	−34,393	−120	126,191
1979	81,123	23,011	28,936	3,560	19,503	5,873	1,735	31,868	−36,857	34	129,850
1980	81,984	22,782	30,054	3,591	20,951	5,512	−775	32,447	−36,113	88	130,467
1981	83,535	22,988	31,777	3,670	22,286	5,821	687	32,979	−37,064	−362	134,540
1982	81,485	23,145	27,927	3,748	19,724	4,455	−3,170	32,493	−33,219	−604	128,057

Reference Table 4 (continued)

Gross National Expenditure in Constant 1971 Dollars 1948 – 1982

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Gross national expenditure in constant 1971 dollars
			Total	Govern-ment	Business[1]	Housing			
	(Per cent change)								
1948	−2.4	−5.1	14.8	24.2	10.5	23.7	3.3	−9.8	2.5
1949	5.7	10.6	7.4	3.5	5.3	15.6	−5.9	2.7	3.8
1950	6.6	7.7	7.5	9.7	4.5	14.2	−0.7	8.9	7.6
1951	0.7	30.4	0.4	3.5	9.6	−24.1	9.4	12.5	5.0
1952	7.0	23.2	11.7	19.1	10.3	11.4	11.5	3.4	8.9
1953	7.0	3.1	12.3	6.6	8.1	31.2	−1.0	8.3	5.1
1954	3.7	−3.8	0.0	11.5	−7.1	13.7	−3.7	−4.8	−1.2
1955	8.5	2.2	9.3	0.9	5.1	24.1	7.6	13.4	9.4
1956	7.5	2.5	18.3	8.9	29.2	0.6	7.5	16.1	8.4
1957	3.7	−1.7	7.1	22.9	11.1	−11.1	0.9	−1.2	2.4
1958	3.6	3.0	−1.1	10.9	−12.0	25.6	−0.3	−7.0	2.3
1959	5.6	−0.8	0.5	7.6	−2.2	2.2	3.9	10.3	3.8
1960	3.5	2.4	−3.3	2.5	1.5	−17.5	4.3	−0.1	2.9
1961	1.1	13.8	−0.4	11.0	−3.5	−1.1	7.5	2.0	2.8
1962	4.5	4.0	4.5	12.0	2.1	3.9	3.9	2.0	6.8
1963	4.9	1.5	4.6	0.7	6.6	3.3	9.1	3.3	5.2
1964	6.0	5.1	13.3	−1.1	17.2	16.8	13.4	13.2	6.7
1965	6.1	5.3	11.8	13.2	14.0	4.6	4.5	12.3	6.7
1966	5.2	9.3	10.8	10.1	17.2	−7.2	13.6	13.1	6.9
1967	4.8	7.1	−0.4	2.9	−2.0	1.9	10.2	5.1	3.3
1968	5.0	7.6	0.1	0.8	−4.2	14.6	12.4	8.8	5.8
1969	4.6	3.7	4.9	−2.3	4.6	12.8	9.8	13.4	5.3
1970	2.3	10.4	0.3	−0.6	4.7	−10.9	9.0	−0.7	2.5
1971	7.9	4.1	10.0	12.8	3.1	29.5	4.5	6.9	6.9
1972	7.6	3.1	5.6	0.5	4.3	12.8	6.6	11.2	6.1
1973	6.7	4.6	11.1	−0.6	15.0	9.8	10.6	13.6	7.5
1974	5.1	4.0	5.4	5.5	7.7	−0.5	−2.0	9.8	3.6
1975	5.2	4.0	3.8	4.3	7.8	−7.3	−6.4	−2.8	1.2
1976	6.5	1.4	2.8	−6.5	−0.3	19.3	9.3	8.4	5.5
1977	2.9	3.2	−0.8	0.0	1.1	−6.3	6.9	2.1	2.1
1978	2.7	1.8	0.0	−2.3	1.1	−1.8	10.4	4.7	3.6
1979	2.0	0.9	6.5	−5.5	12.4	−2.8	2.9	7.2	2.9
1980	1.1	−1.0	3.9	0.9	7.4	−6.1	1.8	−2.0	0.5
1981	1.9	0.9	5.7	2.2	6.4	5.6	1.6	2.6	3.1
1982	−2.5	0.7	−12.1	2.1	−11.5	−23.5	−1.5	−10.4	−4.8

Source: Statistics Canada, *National Income and Expenditure Accounts.*

[1]The data prior to 1971 include adjusting entries in the national accounts for business gross fixed capital formation.

Reference Table 5

Structural Changes in Demand

(Percentage Distribution of Gross National Expenditure by Components)

1947 – 1982

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure at market prices
			Total	Government	Business	Housing					
1947	69.5	10.0	17.4	2.3	11.8	3.4	2.5	27.2	−26.7	0.1	100.0
1948	66.9	9.4	19.7	2.7	12.7	4.2	0.6	26.1	−23.4	0.7	100.0
1949	67.6	10.2	20.5	2.7	13.0	4.7	0.5	23.8	−22.9	0.3	100.0
1950	67.5	10.4	20.9	2.8	12.9	5.2	3.0	22.5	−24.3	0.0	100.0
1951	64.0	13.0	20.4	3.0	13.6	3.9	4.0	23.3	−25.8	0.9	100.0
1952	61.7	14.7	20.7	3.2	13.7	3.8	2.0	22.6	−21.8	0.0	100.0
1953	62.6	14.8	22.2	3.0	14.3	4.8	2.3	20.8	−22.5	−0.3	100.0
1954	65.3	14.8	22.0	3.4	13.2	5.4	−0.8	19.8	−21.4	0.2	100.0
1955	64.5	14.1	22.5	3.3	12.9	6.3	1.0	20.2	−22.4	0.1	100.0
1956	62.7	13.8	25.0	3.6	15.7	5.7	3.1	19.8	−23.9	−0.4	100.0
1957	64.1	13.6	25.9	4.0	17.0	5.0	0.5	19.0	−23.2	−0.1	100.0
1958	65.7	14.0	24.5	4.0	14.5	6.0	−0.9	18.2	−21.1	−0.5	100.0
1959	66.2	13.5	23.5	4.1	13.6	5.8	1.1	18.1	−21.8	−0.6	100.0
1960	66.4	13.8	22.1	4.1	13.3	4.7	1.1	18.3	−21.1	−0.5	100.0
1961	65.4	15.7	21.2	4.2	12.4	4.5	0.3	19.2	−21.4	−0.4	100.0
1962	64.0	15.4	20.7	4.4	11.9	4.3	1.6	19.2	−21.1	0.3	100.0
1963	63.6	15.2	20.8	4.3	12.2	4.3	1.5	19.7	−20.8	0.1	100.0
1964	62.4	15.1	22.3	4.0	13.5	4.7	1.1	20.9	−21.7	−0.1	100.0
1965	61.3	15.1	23.8	4.4	14.6	4.8	2.2	20.2	−22.3	−0.4	100.0
1966	59.7	15.8	24.8	4.6	16.0	4.2	2.0	21.1	−23.1	−0.3	100.0
1967	60.2	16.8	23.5	4.4	14.9	4.2	0.4	22.1	−22.9	0.0	100.0
1968	60.2	17.5	21.7	4.1	13.1	4.5	1.0	23.0	−23.4	0.0	100.0
1969	59.5	17.8	21.6	3.8	12.9	4.8	1.8	23.5	−24.8	0.6	100.0
1970	58.7	19.4	21.0	3.7	13.2	4.1	0.1	24.7	−23.6	−0.4	100.0
1971	58.9	19.4	22.0	4.0	12.9	5.1	0.4	23.5	−23.3	−0.9	100.0
1972	59.1	19.3	21.9	3.8	12.6	5.5	0.5	23.4	−24.0	−0.2	100.0
1973	57.7	18.6	22.5	3.5	13.1	6.0	1.3	24.9	−25.1	0.0	100.0
1974	56.5	18.9	23.2	3.7	13.6	5.9	2.3	26.4	−27.8	0.4	100.0
1975	58.7	20.2	24.2	3.8	14.8	5.6	−0.1	24.5	−27.6	0.2	100.0
1976	58.0	20.1	23.5	3.3	13.7	6.4	0.8	23.9	−26.2	−0.1	100.0
1977	58.6	20.8	23.1	3.3	13.7	6.1	0.2	25.2	−27.4	−0.4	100.0
1978	58.7	20.7	22.7	3.1	13.7	5.9	0.2	27.3	−29.5	−0.1	100.0
1979	57.5	20.0	23.2	2.8	14.9	5.4	1.4	29.5	−31.7	0.0	100.0
1980	57.7	20.1	23.6	2.8	16.0	4.8	−0.6	31.2	−32.0	0.0	100.0
1981	57.6	20.1	24.4	2.9	16.6	4.9	0.2	30.0	−32.1	−0.3	100.0
1982	59.0	21.7	21.9	3.0	15.2	3.7	−2.5	28.8	−28.4	−0.5	100.0

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 6

Structural Changes in Demand
(Percentage Distribution of Gross National Expenditure
in Constant 1971 Dollars by Components)
1947 – 1982

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Value of physical change in inventories	Exports of goods and services	Imports of goods and services	Residual error of estimate	Gross national expenditure in constant 1971 dollars
			Total	Government	Business	Housing					
1947	62.9	16.1	18.0	2.1	12.2	3.7	2.3	20.9	−21.7	0.1	100.0
1948	59.9	14.9	20.2	2.6	13.2	4.4	0.4	21.1	−19.1	0.7	100.0
1949	61.0	15.9	20.9	2.6	13.4	4.9	0.7	19.1	−18.9	0.3	100.0
1950	60.4	15.9	20.9	2.6	13.0	5.3	2.3	17.6	−19.2	0.0	100.0
1951	58.0	19.7	19.9	2.6	13.6	3.8	2.9	18.4	−20.5	0.9	100.0
1952	56.9	22.3	20.4	2.8	13.7	3.9	1.2	18.8	−19.5	0.1	100.0
1953	57.9	21.9	21.8	2.9	14.1	4.8	1.9	17.7	−20.1	−0.3	100.0
1954	60.8	21.3	22.1	3.2	13.3	5.6	−0.6	17.2	−19.4	0.2	100.0
1955	60.3	19.9	22.1	3.0	12.7	6.3	0.9	17.0	−20.0	0.1	100.0
1956	59.7	18.8	24.0	3.0	15.2	5.9	2.4	16.8	−21.5	−0.4	100.0
1957	60.6	18.1	25.2	3.6	16.5	5.1	0.5	16.6	−20.7	−0.1	100.0
1958	61.3	18.2	24.3	3.9	14.2	6.3	−0.6	16.1	−18.8	−0.5	100.0
1959	62.4	17.4	23.6	4.0	13.4	6.2	0.9	16.2	−20.0	−0.6	100.0
1960	62.7	17.3	22.1	4.0	13.2	4.9	1.0	16.4	−19.4	−0.5	100.0
1961	61.7	19.2	21.5	4.3	12.4	4.8	0.5	17.1	−19.3	−0.4	100.0
1962	60.3	18.7	21.0	4.6	11.8	4.6	1.3	16.7	−18.4	0.3	100.0
1963	60.2	18.0	20.9	4.4	12.0	4.5	1.2	17.3	−18.1	0.1	100.0
1964	59.8	17.7	22.2	4.0	13.2	5.0	1.0	16.4	−19.2	−0.1	100.0
1965	59.5	17.5	23.2	4.3	14.1	4.9	2.1	18.0	−20.2	−0.4	100.0
1966	58.5	17.9	24.1	4.4	15.4	4.2	1.9	19.1	−21.4	−0.3	100.0
1967	59.3	18.5	23.2	4.4	14.6	4.2	0.3	20.4	−21.7	0.0	100.0
1968	58.8	18.8	21.9	4.2	13.2	4.5	0.9	21.7	−22.3	0.0	100.0
1969	58.4	18.5	21.9	3.9	13.1	4.8	1.8	22.6	−24.0	0.6	100.0
1970	58.3	20.0	21.4	3.8	13.4	4.2	0.1	24.0	−23.3	−0.4	100.0
1971	58.9	19.4	22.0	4.0	12.9	5.1	0.4	23.5	−23.3	−0.9	100.0
1972	59.7	18.9	21.9	3.8	12.7	5.4	0.5	23.6	−24.4	−0.2	100.0
1973	59.3	18.4	22.6	3.5	13.6	5.5	1.2	24.3	−25.8	0.1	100.0
1974	60.1	18.4	23.0	3.5	14.1	5.3	2.4	22.9	−27.3	0.5	100.0
1975	62.5	18.9	23.6	3.6	15.1	4.9	−0.2	21.2	−26.3	0.2	100.0
1976	63.1	18.2	23.0	3.2	14.2	5.5	0.8	22.0	−27.0	−0.1	100.0
1977	63.6	18.4	22.3	3.2	14.1	5.1	0.1	23.0	−27.0	−0.4	100.0
1978	63.0	18.1	21.5	3.0	13.8	4.8	0.2	24.5	−27.3	−0.1	100.0
1979	62.5	17.7	22.3	2.7	15.0	4.5	1.3	24.5	−28.4	0.0	100.0
1980	62.8	17.5	23.0	2.8	16.1	4.2	−0.6	24.9	−27.7	0.1	100.0
1981	62.1	17.1	23.6	2.7	16.6	4.3	0.5	24.5	−27.6	−0.3	100.0
1982	63.6	18.1	21.8	2.9	15.4	3.5	−2.5	25.4	−25.9	−0.5	100.0

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 7

Gross Expenditure Per Capita, Canada and by Province

1962 – 1981

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	31720 31236	31742 31237	31764 31238	31786 31239	31808 31240	31830 31241	31852 31242	31874 31243	31896 31244	44014 31245	31940 31246 + 31247	31698 31248
						(Dollars)						
1962	1,140	1,158	1,503	1,373	2,132	2,804	2,159	2,201	2,507	2,588	2,085	2,354
1963	1,221	1,192	1,565	1,441	2,204	2,933	2,227	2,591	2,637	2,718	2,198	2,472
1964	1,349	1,302	1,669	1,612	2,398	3,148	2,386	2,456	2,774	2,921	2,250	2,647
1965	1,450	1,415	1,789	1,750	2,584	3,372	2,547	2,652	3,029	3,189	3,080	2,856
1966	1,632	1,517	1,973	1,920	2,818	3,677	2,730	3,121	3,424	3,422	3,316	3,133
1967	1,712	1,614	2,142	2,029	3,005	3,911	2,964	2,861	3,612	3,603	3,486	3,315
1968	1,916	1,814	2,346	2,214	3,172	4,225	3,248	3,031	3,919	3,838	3,993	3,562
1969	2,082	1,944	2,651	2,404	3,431	4,596	3,509	3,265	4,230	4,234	4,291	3,876
1970	2,311	2,178	2,828	2,603	3,647	4,802	3,710	3,215	4,493	4,284	4,540	4,069
1971	2,479	2,307	2,995	2,810	3,918	5,171	3,996	3,788	4,884	4,709	4,306	4,408
1972	2,529	2,551	3,395	3,209	4,337	5,731	4,408	3,997	5,441	5,264	4,904	4,886
1973	2,952	3,216	3,887	3,726	4,936	6,518	5,226	5,222	6,693	6,376	6,312	5,686
1974	3,498	3,318	4,382	4,334	5,790	7,495	6,124	6,964	9,140	7,264	8,205	6,725
1975	3,888	3,887	4,865	4,860	6,435	8,104	6,871	7,812	10,571	7,831	7,660	7,410
1976	4,542	4,422	5,590	5,402	7,417	9,201	7,759	8,591	11,623	9,184	7,539	8,436
1977	5,044	4,664	6,047	5,763	7,954	9,929	8,146	8,938	12,932	10,105	9,486	9,132
1978	5,358	5,366	6,744	6,452	8,811	10,727	8,945	10,080	14,641	11,091	10,762	10,048
1979	6,414	5,967	7,443	7,603	9,820	11,999	10,016	11,488	17,151	12,718	13,220	11,373
1980	6,414	6,345	7,545	7,380	10,740	13,032	10,793	13,444	19,305	13,829	14,197	12,427
1981	7,354	7,138	8,673	8,928	12,165	15,069	12,462	15,400	20,657	15,480	15,855	14,148
						(Per cent change)						
1963	7.1	2.9	4.1	5.0	3.4	4.6	3.1	17.7	5.2	5.0	5.4	5.0
1964	10.5	9.2	6.7	11.9	8.8	7.3	7.1	−5.2	5.2	7.4	2.4	7.1
1965	7.5	8.7	7.2	8.5	7.7	7.1	6.8	8.0	9.2	9.2	36.9	7.9
1966	12.5	7.3	10.3	9.7	9.1	9.0	7.2	17.7	13.1	7.3	7.7	9.7
1967	4.9	6.3	8.5	5.7	6.6	6.4	8.6	−8.3	5.5	5.3	5.1	5.8
1968	11.9	12.4	9.5	9.1	5.5	8.0	9.6	5.9	8.5	6.5	14.5	7.5
1969	8.7	7.2	13.0	8.6	8.2	8.8	8.0	7.7	7.9	10.3	7.5	8.8
1970	11.0	12.0	6.7	8.3	6.3	4.5	5.7	−1.5	6.2	1.2	5.8	5.0
1971	7.3	5.9	5.9	8.0	7.4	7.7	7.7	17.8	8.7	9.9	−5.2	8.3
1972	2.0	10.6	13.4	14.2	10.7	10.8	10.3	5.5	11.4	11.8	13.9	10.8
1973	16.7	26.0	14.5	16.1	13.8	13.7	18.6	30.6	23.0	21.1	28.7	16.4
1974	18.5	3.2	12.7	16.3	17.3	15.0	17.2	33.4	36.6	13.9	30.0	18.3
1975	11.1	17.1	11.0	12.1	11.1	8.1	12.2	12.2	15.7	7.8	−6.6	10.2
1976	16.9	14.0	15.1	11.4	16.1	14.5	12.9	9.9	10.1	17.7	−1.6	14.5
1977	11.7	5.5	8.4	7.2	7.1	8.0	5.1	4.3	10.4	9.8	24.1	8.2
1978	7.1	15.5	10.3	13.2	11.0	7.9	10.0	13.4	12.5	9.5	12.2	10.0
1979	20.2	11.9	10.4	20.4	10.2	11.6	11.8	13.9	16.9	13.9	20.6	12.7
1980	0.1	6.3	3.9	−5.4	10.3	9.6	9.1	17.7	14.0	8.7	15.0	10.2
1981	12.4	11.1	13.2	19.4	12.6	13.9	13.9	13.6	7.2	12.7	8.9	12.8

Reference Table 7 (continued)

Gross Expenditure Per Capita, Canada and by Province

1962 – 1981

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
	(Personal expenditure per capita, by province, as a percentage of personal expenditure per capita at the national level)											
1962	48.4	49.2	63.8	58.3	90.5	119.1	91.7	93.5	106.5	109.9	88.6	100.0
1963	49.4	48.2	63.3	58.3	89.2	118.7	90.1	104.8	106.7	110.0	88.9	100.0
1964	50.9	49.2	63.1	60.9	90.6	118.9	90.1	92.8	104.8	110.3	85.0	100.0
1965	50.8	49.5	62.7	61.3	90.5	118.1	89.2	92.9	106.1	111.7	107.9	100.0
1966	52.1	48.4	63.0	61.3	90.0	117.4	87.1	99.6	109.3	109.2	105.6	100.0
1967	51.7	48.7	64.6	61.2	90.7	118.0	89.4	86.3	109.0	108.7	105.2	100.0
1968	53.8	50.9	65.8	62.2	89.0	118.6	91.2	85.1	110.0	107.7	112.1	100.0
1969	53.7	50.2	68.4	62.0	88.5	118.6	90.5	84.2	109.1	109.2	110.7	100.0
1970	56.8	53.5	69.5	64.0	89.6	118.0	91.2	79.0	110.4	105.3	111.6	100.0
1971	56.2	52.3	68.0	63.8	88.9	117.3	90.7	85.9	110.8	106.8	97.7	100.0
1972	51.8	52.2	69.5	65.7	88.8	117.3	90.2	81.8	111.4	107.7	100.4	100.0
1973	51.9	56.6	68.4	65.5	86.8	114.6	91.9	91.8	117.7	112.1	111.0	100.0
1974	52.0	49.3	65.2	64.4	86.1	111.4	91.1	103.5	135.9	108.0	122.0	100.0
1975	52.5	52.5	65.7	65.6	86.8	109.4	92.7	105.4	142.7	105.7	103.4	100.0
1976	53.6	52.2	66.0	63.8	88.1	109.4	91.4	101.2	137.1	108.6	88.8	100.0
1977	55.3	50.9	66.1	63.2	87.2	109.2	88.8	97.5	140.0	110.2	101.9	100.0
1978	53.8	53.4	66.3	65.0	88.0	107.1	88.8	100.6	143.2	109.7	103.9	100.0
1979	57.4	53.1	64.9	69.4	86.1	106.0	88.1	101.2	148.5	110.9	111.2	100.0
1980	52.1	51.2	61.1	59.6	86.1	105.5	87.2	108.0	153.6	109.5	116.1	100.0
1981	52.0	50.5	61.3	63.1	86.0	106.5	88.1	108.9	146.0	109.4	112.1	100.0

Note: Gross expenditure per capita is obtained by dividing personal expenditure by population as of June. Percentages are calculated from unrounded data.

Source: Statistics Canada, *Annual Estimates of Population for Canada and Provinces as of June 1; Provincial Economic Accounts*, annual, cat. 13-213.

Reference Table 8
Gross Provincial Expenditure
1962 – 1981

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	31720	31742	31764	31786	31808	31830	31852	31874	31896	44014	31940	31698
						(Millions of dollars)						
1962	533	124	1,121	830	11,449	17,811	2,021	2,047	3,432	4,296	83	43,749
1963	581	129	1,175	878	12,081	19,009	2,113	2,417	3,700	4,618	90	46,791
1964	651	142	1,260	985	13,392	20,876	2,288	2,313	3,964	5,096	94	51,062
1965	708	154	1,352	1,076	14,691	22,888	2,458	2,520	4,391	5,730	126	56,095
1966	805	165	1,492	1,184	16,292	25,594	2,629	2,981	5,009	6,413	143	62,706
1967	854	176	1,628	1,258	17,621	27,873	2,854	2,738	5,382	7,008	153	67,547
1968	969	200	1,799	1,384	18,802	30,683	3,154	2,910	5,973	7,688	180	73,740
1969	1,070	216	2,055	1,510	20,534	33,944	3,435	3,128	6,594	8,722	202	81,410
1970	1,195	240	2,211	1,632	21,931	36,258	3,647	3,025	7,166	9,116	227	86,648
1971	1,294	256	2,363	1,784	23,620	39,829	3,948	3,507	7,951	10,289	228	95,071
1972	1,341	288	2,699	2,054	26,258	44,762	4,369	3,654	9,016	11,796	280	106,517
1973	1,585	367	3,125	2,410	30,006	51,548	5,205	4,726	11,311	14,677	379	125,339
1974	1,892	382	3,558	2,835	35,451	60,363	6,167	6,268	15,739	17,260	492	150,407
1975	2,134	455	3,989	3,232	39,762	66,230	6,967	7,086	18,796	19,054	483	168,186
1976	2,537	523	4,640	3,664	46,598	76,696	7,929	7,909	21,384	22,739	482	195,101
1977	2,848	561	5,056	3,967	50,405	83,735	8,383	8,372	24,556	25,303	608	213,793
1978	3,055	653	5,610	4,523	56,092	91,309	9,257	9,577	28,691	28,170	703	237,640
1979	3,680	737	6,322	5,497	62,182	102,641	10,329	10,963	34,795	32,700	848	270,574
1980	3,696	790	6,476	5,204	69,047	113,446	11,227	13,024	41,280	36,604	990	301,784
1981	4,177	878	7,355	6,214	78,316	129,970	12,786	14,907	46,209	42,477	1,094	344,383
						(Per cent change)						
1963	8.9	3.9	4.8	5.7	5.5	6.7	4.6	18.1	7.8	7.5	8.0	7.0
1964	12.1	10.3	7.3	12.3	10.8	9.8	8.2	−4.3	7.2	10.3	4.9	9.1
1965	8.6	8.7	7.3	9.3	9.7	9.6	7.4	8 9	10.8	12.4	33.7	9.9
1966	13.7	7.3	10.3	10.1	10.9	11.8	6.9	18.3	14.1	11.9	12.9	11.8
1967	6.2	6.3	9.1	6.2	8.2	8.9	8.6	−8.1	7.5	9.3	7.6	7.7
1968	13.5	13.4	10.5	10.0	6.7	10.1	10.5	6.3	11.0	9.7	17.1	9.2
1969	10.4	8.2	14.2	9.1	9.2	10.6	8.9	7.5	10.4	13.5	12.2	10.4
1970	11.7	11.0	7.6	8.1	6.8	6.8	6.2	−3.3	8.7	4.5	12.5	6.4
1971	8.3	6.9	6.9	9.4	7.7	9.8	8.3	15.9	11.0	12.9	.5	9.7
1972	3.6	12.6	14.2	15.1	11.2	12.4	10.7	4.2	13.4	14.6	22.5	12.0
1973	18.2	27.2	15.8	17.4	14.3	15.2	19.1	29.3	25.5	24.4	35.5	17.7
1974	19.4	4.1	13.9	17.6	18.1	17.1	18.5	32.6	39.1	17.6	30.0	20.0
1975	12.8	19.2	12.1	14.0	12.2	9.7	13.0	13.1	19.4	10.4	−2.0	11.8
1976	18.8	15.0	16.3	13.4	17.2	15.8	13.8	11.6	13.8	19.3	0.0	16.0
1977	12.3	7.2	9.0	8.3	8.2	9.2	5.7	5.9	14.8	11.3	26.0	9.6
1978	7.3	16.5	11.0	14.0	11.3	9.0	10.4	14.4	16.8	11.3	15.6	11.2
1979	20.5	12.9	10.9	21.1	10.9	12.4	11.6	14.5	21.3	16.1	20.6	13.9
1980	0.4	7.2	4.1	−5.0	11.0	10.5	8.7	18.8	18.6	11.9	16.7	11.5
1981	13.0	11.1	13.6	19.4	13.4	14.6	13.9	14.5	11.9	16.0	10.5	14.1

Reference Table 8 (continued)
Gross Provincial Expenditure
1962 – 1981

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
						(Percentage distribution of total among provinces)						
1962	1.2	0.3	2.6	1.9	26.2	40.7	4.6	4.7	7.8	9.8	0.2	100.0
1963	1.2	0.3	2.5	1.9	25.8	40.6	4.5	5.2	7.9	9.9	0.2	100.0
1964	1.3	0.3	2.5	1.9	26.2	40.9	4.5	4.5	7.8	10.0	0.2	100.0
1965	1.3	0.3	2.4	1.9	26.2	40.8	4.4	4.5	7.8	10.2	0.2	100.0
1966	1.3	0.3	2.4	1.9	26.0	40.8	4.2	4.8	8.0	10.2	0.2	100.0
1967	1.3	0.3	2.4	1.9	26.1	41.3	4.2	4.1	8.0	10.4	0.2	100.0
1968	1.3	0.3	2.4	1.9	25.5	41.6	4.3	3.9	8.1	10.4	0.2	100.0
1969	1.3	0.3	2.5	1.9	25.2	41.7	4.2	3.8	8.1	10.7	0.2	100.0
1970	1.4	0.3	2.6	1.9	25.3	41.8	4.2	3.5	8.3	10.5	0.3	100.0
1971	1.4	0.3	2.5	1.9	24.8	41.9	4.2	3.7	8.4	10.8	0.2	100.0
1972	1.3	0.3	2.5	1.9	24.7	42.0	4.1	3.4	8.5	11.1	0.3	100.0
1973	1.3	0.3	2.5	1.9	23.9	41.1	4.2	3.8	9.0	11.7	0.3	100.0
1974	1.3	0.3	2.4	1.9	23.6	40.1	4.1	4.2	10.5	11.5	0.3	100.0
1975	1.3	0.3	2.4	1.9	23.6	39.4	4.1	4.2	11.2	11.3	0.3	100.0
1976	1.3	0.3	2.4	1.9	23.9	39.3	4.1	4.1	11.0	11.7	0.2	100.0
1977	1.3	0.3	2.4	1.9	23.6	39.2	3.9	3.9	11.5	11.8	0.3	100.0
1978	1.3	0.3	2.4	1.9	23.6	38.4	3.9	4.0	12.1	11.9	0.3	100.0
1979	1.4	0.3	2.3	2.0	23.0	37.9	3.8	4.1	12.9	12.1	0.3	100.0
1980	1.2	0.3	2.1	1.7	22.9	37.6	3.7	4.3	13.7	12.1	0.3	100.0
1981	1.2	0.3	2.1	1.8	22.7	37.7	3.7	4.3	13.4	12.3	0.3	100.0

Source: Statistics Canada, *Provincial Economic Accounts.*

Reference Table 9
National Income and Gross National Product
1950 – 1982

Year	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Inventory valuation adjustment	Net national income at factor cost	Indirect taxes less subsidies	Capital consumption allowances and miscellaneous valuation adjustments	Residual error of estimate	Gross national product at market prices
D		40002 40242	40003 40243	40004 40244	40005 40245	40006 40246	40007 40247	40008 40248	40009 40249	40010 40250	40011 40251	40548 40551
						(Millions of dollars)						
1950	9,152	2,608	−412	396	1,301	1,882	−374	14,553	2,065	1,876	−3	18,491
1951	10,770	3,144	−379	463	1,868	1,976	−643	17,199	2,548	2,098	−205	21,640
1952	12,073	3,071	−346	523	1,878	2,155	114	19,468	2,799	2,333	−12	24,588
1953	13,062	2,985	−328	583	1,462	2,359	2	20,125	2,994	2,634	80	25,833
1954	13,451	2,755	−339	628	918	2,498	87	19,998	3,042	2,930	−52	25,918
1955	14,369	3,485	−396	764	1,120	2,748	−182	21,908	3,321	3,337	−38	28,528
1956	16,171	3,928	−450	869	1,283	2,827	−245	24,383	3,731	3,814	130	32,058
1957	17,519	3,554	−505	977	908	2,962	−59	25,356	3,975	4,159	23	33,513
1958	17,982	3,669	−486	1,063	1,116	3,133	−41	26,436	4,036	4,135	170	34,777
1959	19,149	3,966	−527	1,062	1,008	3,207	−108	27,757	4,401	4,461	227	36,846
1960	20,141	3,870	−495	1,129	1,026	3,192	−26	28,837	4,587	4,739	196	38,359
1961	21,009	4,066	−622	1,284	826	3,261	−41	29,783	4,838	4,833	142	39,646
1962	22,468	4,450	−621	1,416	1,377	3,380	−100	32,370	5,446	5,236	−125	42,927
1963	23,932	4,932	−652	1,563	1,562	3,576	−213	34,700	5,714	5,603	−39	45,978
1964	26,034	5,841	−787	1,724	1,307	3,705	−144	37,680	6,441	6,108	51	50,280
1965	28,678	6,318	−828	1,891	1,389	3,893	−322	41,219	7,284	6,655	206	55,364
1966	32,629	6,714	−850	2,070	1,950	4,116	−335	46,294	8,030	7,322	182	61,828
1967	36,160	6,823	−874	2,362	1,239	4,355	−327	49,738	8,852	7,786	33	66,409
1968	39,318	7,742	−835	2,623	1,321	4,778	−341	54,606	9,662	8,308	10	72,586
1969	43,949	8,294	−854	3,082	1,435	5,187	−576	60,517	10,722	9,019	−443	79,815
1970	47,620	7,699	−952	3,428	1,211	5,424	−195	64,235	11,299	9,806	345	85,685
1971	52,436	8,681	−1,079	3,906	1,576	5,928	−665	70,783	12,276	10,500	891	94,450
1972	58,549	10,799	−1,031	4,577	1,662	6,170	−1,032	79,694	13,876	11,474	190	105,234
1973	67,849	15,417	−1,277	5,359	3,009	6,656	−2,362	94,651	15,598	13,355	−44	123,560
1974	81,289	20,062	−1,645	7,632	3,859	6,901	−4,244	113,854	18,257	16,046	−629	147,528
1975	94,625	19,663	−1,835	8,661	3,944	7,669	−2,938	129,789	17,584	18,270	−300	165,343
1976	109,375	19,985	−1,719	11,175	3,317	8,438	−2,064	148,507	21,520	20,738	266	191,031
1977	120,523	20,928	−2,094	13,147	2,831	9,113	−3,419	161,029	23,907	23,043	889	208,868
1978	131,380	25,668	−2,843	15,923	3,616	9,853	−4,653	178,944	25,563	25,739	244	230,490
1979	146,761	33,941	−3,064	19,101	3,909	10,685	−7,114	204,219	27,815	29,557	−15	261,576
1980	165,455	36,456	−3,117	22,164	4,005	11,669	−7,096	229,536	29,012	33,448	−127	291,869
1981	188,497	32,638	−3,740	26,951	4,473	13,290	−7,002	255,107	37,627	37,620	984	331,338
1982	201,736	21,777	−3,356	29,704	4,646	14,031	−3,784	264,754	40,588	41,862	1,721	348,925

Reference Table 9 (continued)

National Income and Gross National Product

1950 – 1982

Year	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Net national income at factor cost	Indirect taxes less subsidies	Capital consumption allowances and miscellaneous valuation adjustments	Gross national product at market prices
					(Per cent change)					
1950	8.0	29.8	26.4	36.1	7.4	6.1	9.2	10.0	14.1	10.1
1951	17.7	20.6	−8.0	16.9	43.6	5.0	18.2	23.4	11.8	17.0
1952	12.1	−2.3	−8.7	13.0	0.5	9.1	13.2	9.9	11.2	13.6
1953	8.2	−2.8	−5.2	11.5	−22.2	9.5	3.4	7.0	12.9	5.1
1954	3.0	−7.7	3.4	7.7	−37.2	5.9	−0.6	1.6	11.2	0.3
1955	6.8	26.5	16.8	21.7	22.0	10.0	9.6	9.2	13.9	10.1
1956	12.5	12.7	13.6	13.7	14.6	2.9	11.3	12.3	14.3	12.4
1957	8.3	−9.5	12.2	12.4	−29.2	4.8	4.0	6.5	9.0	4.5
1958	2.6	3.2	−3.8	8.8	22.9	5.8	4.3	1.5	−0.6	3.8
1959	6.5	8.1	8.4	−0.1	−9.7	2.4	5.0	9.0	7.9	5.9
1960	5.2	−2.4	−6.1	6.3	1.8	−0.5	3.9	4.2	6.2	4.1
1961	4.3	5.1	25.7	13.7	−19.5	2.2	3.3	5.5	3.0	3.4
1962	6.9	9.4	−0.2	10.3	66.7	3.6	8.7	12.6	7.2	8.3
1963	6.5	10.8	5.0	10.4	13.4	5.8	7.2	4.9	7.0	7.1
1964	8.8	18.4	20.7	10.3	−16.3	3.6	8.6	12.7	9.0	9.4
1965	10.9	8.2	5.2	9.7	6.3	5.1	9.4	13.1	9.0	10.1
1966	13.0	6.3	2.7	9.5	40.4	5.7	12.3	10.2	10.0	11.7
1967	10.8	1.6	2.8	14.1	−36.5	5.8	7.4	10.2	6.3	7.4
1968	8.7	13.5	−4.5	11.0	6.6	9.7	9.8	9.2	6.7	9.3
1969	11.8	7.1	2.3	17.5	8.6	8.6	10.8	11.0	8.6	10.0
1970	8.4	−7.2	11.5	11.2	−15.6	4.8	6.1	5.4	8.7	7.4
1971	10.1	12.8	13.3	13.9	30.1	9.3	10.2	8.6	7.1	10.2
1972	11.7	24.4	−4.4	17.2	5.5	4.1	12.6	13.0	9.3	11.4
1973	15.9	42.8	23.9	17.1	81.0	7.9	18.8	12.4	16.4	17.4
1974	19.8	30.1	28.8	42.4	28.2	3.7	20.3	17.0	20.1	19.4
1975	16.4	−2.0	11.6	13.5	2.2	11.1	14.0	−3.7	13.9	12.1
1976	15.6	1.6	−6.3	29.0	−15.9	10.0	14.4	22.4	13.5	15.5
1977	10.2	4.7	21.8	17.6	−14.7	8.0	8.4	11.1	11.1	9.3
1978	9.0	22.6	35.8	21.1	27.7	8.1	11.1	6.9	11.7	10.4
1979	11.7	32.2	7.8	20.0	8.1	8.4	14.1	8.8	14.8	13.5
1980	12.7	7.4	1.7	16.0	2.5	9.2	12.4	4.3	13.2	11.6
1981	13.9	−10.5	20.0	21.6	11.7	13.9	11.1	29.7	12.5	13.5
1982	7.0	−33.3	−10.3	10.2	3.9	5.6	3.8	7.9	11.3	5.3

[1] Includes military pay and allowances. Unadjusted: D 40000 + 40001; seasonally adjusted: D 40240 + 40241.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 10
Reconciliation of Gross National Product at Market Prices and Gross Domestic Product at Factor Cost
1953 – 1982

Year	Gross national product at market prices	Residual error of estimate	Indirect taxes less subsidies	Investment income from non-residents	Investment income paid to non-residents	Gross domestic product at factor cost
D	40551	40431	40432	40433	40434	40435
			(Millions of dollars)			
1953	25,833	−80	−2,994	−194	495	23,060
1954	25,918	52	−3,042	−181	520	23,267
1955	28,528	38	−3,321	−201	586	25,630
1956	32,058	−130	−3,731	−196	657	28,658
1957	33,513	−23	−3,975	−208	771	30,078
1958	34,777	−170	−4,036	−238	763	31,096
1959	36,846	−227	−4,401	−251	860	32,827
1960	38,359	−196	−4,587	−254	870	34,192
1961	39,646	−142	−4,838	−300	1,022	35,388
1962	42,927	125	−5,446	−297	1,068	38,377
1963	45,978	39	−5,714	−314	1,161	41,150
1964	50,260	−51	−6,441	−443	1,351	44,696
1965	55,364	−206	−7,284	−465	1,485	48,894
1966	61,828	−182	−8,030	−486	1,634	54,764
1967	66,409	−33	−8,852	−464	1,733	58,793
1968	72,586	−10	−9,662	−590	1,841	64,165
1969	79,815	443	−10,722	−857	2,099	70,778
1970	85,685	−345	−11,299	−1,011	2,397	75,427
1971	94,450	−891	−12,276	−953	2,537	82,867
1972	105,234	−190	−13,876	−977	2,528	92,719
1973	123,560	44	−15,598	−1,188	3,012	109,830
1974	147,528	629	−18,257	−1,386	3,741	132,255
1975	165,343	300	−17,584	−1,671	4,338	150,726
1976	191,031	−266	−21,520	−1,601	4,940	172,584
1977	208,868	−889	−23,907	−1,696	6,248	188,624
1978	230,490	−244	−25,563	−2,239	8,188	210,632
1979	261,576	15	−27,815	−2,434	9,762	241,104
1980	291,869	127	−29,012	−3,387	11,345	270,942
1981	331,338	−984	−37,627	−3,321	14,745	304,151
1982	348,925	−1,721	−40,588	−3,957	17,598	320,257

Reference Table 10 (continued)

Reconciliation of Gross National Product at Market Prices and Gross Domestic Product at Factor Cost

1953 – 1982

Year	Gross national product at market prices	Indirect taxes less subsidies	Investment income received from non-residents	Investment income paid to non-residents	Gross domestic product at factor cost
			(Per cent change)		
1953	5.1	7.0	6.0	−2.4	4.2
1954	0.3	1.6	−6.7	5.1	0.9
1955	10.1	9.2	11.0	12.7	10.2
1956	12.4	12.3	−2.5	12.1	11.8
1957	4.5	6.5	6.1	17.4	5.0
1958	3.8	1.5	14.4	−1.0	3.4
1959	5.9	9.0	5.5	12.7	5.6
1960	4.1	4.2	1.2	1.2	4.2
1961	3.4	5.5	18.1	17.5	3.5
1962	8.3	12.6	−1.0	4.5	8.4
1963	7.1	4.9	5.7	8.7	7.2
1964	9.4	12.7	41.1	16.4	8.6
1965	10.1	13.1	5.0	9.9	9.4
1966	11.7	10.2	4.5	10.0	12.0
1967	7.4	10.2	−4.5	6.1	7.4
1968	9.3	9.2	27.2	6.2	9.1
1969	10.0	11.0	45.2	14.0	10.3
1970	7.4	5.4	18.0	14.2	6.6
1971	10.2	8.6	−5.7	5.8	9.9
1972	11.4	13.0	2.5	−0.4	11.9
1973	17.4	12.4	21.6	19.1	18.5
1974	19.4	17.0	16.7	24.2	20.4
1975	12.1	−3.7	20.6	16.0	14.0
1976	15.5	22.4	−4.2	13.9	14.5
1977	9.3	11.1	5.9	26.5	9.3
1978	10.3	6.9	32.0	31.0	11.7
1979	13.5	8.8	8.7	19.2	14.5
1980	11.6	4.3	39.2	16.2	12.4
1981	13.5	29.7	−2.0	30.0	12.3
1982	5.3	7.9	19.2	19.4	5.3

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 11
Structural Changes in Income
(Per Cent Distribution of Gross National Product by Components)
1947 – 1982

Year	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Inventory valuation adjustment	Net national income at factor cost	Indirect taxes less subsidies	Capital consumption allowances and miscellaneous valuation adjustments	Residual error of estimate	Gross national product at market prices
1947	50.1	13.8	−1.9	1.4	8.2	11.2	−4.2	78.5	12.5	9.1	−0.1	100.0
1948	50.6	13.2	−1.7	1.6	8.8	10.3	−3.3	79.5	11.8	9.3	−0.7	100.0
1949	50.5	12.0	−1.9	1.7	7.2	10.6	−0.7	79.3	11.2	9.8	−0.3	100.0
1950	49.5	14.1	−2.2	2.1	7.0	10.2	−2.0	78.7	11.2	10.1	0.0	100.0
1951	49.8	14.5	−1.8	2.1	8.6	9.1	−3.0	79.5	11.8	9.7	−0.9	100.0
1952	49.1	12.5	−1.4	2.1	7.6	8.8	0.5	79.2	11.4	9.5	0.0	100.0
1953	50.6	11.6	−1.3	2.3	5.7	9.1	0.0	77.9	11.6	10.2	0.3	100.0
1954	51.9	10.6	−1.3	2.4	3.5	9.6	0.3	77.2	11.7	11.3	−0.2	100.0
1955	50.4	12.2	−1.4	2.7	3.9	9.6	−0.6	76.8	11.6	11.7	−0.1	100.0
1956	50.4	12.3	−1.4	2.7	4.0	8.8	−0.8	76.1	11.6	11.9	0.4	100.0
1957	52.3	10.6	−1.5	2.9	2.7	8.8	−0.2	75.7	11.9	12.4	0.1	100.0
1958	51.7	10.6	−1.4	3.1	3.2	9.0	−0.1	76.0	11.6	11.9	0.5	100.0
1959	52.0	10.8	−1.4	2.9	2.7	8.7	−0.3	75.3	11.9	12.1	0.6	100.0
1960	52.5	10.1	−1.3	2.9	2.7	8.3	−0.1	75.2	12.0	12.4	0.5	100.0
1961	53.0	10.3	−1.6	3.2	2.1	8.2	−0.1	75.1	12.2	12.3	0.4	100.0
1962	52.3	10.4	−1.4	3.3	3.2	7.9	−0.2	75.4	12.7	12.2	−0.3	100.0
1963	52.1	10.7	−1.4	3.4	3.4	7.8	−0.5	75.5	12.4	12.2	−0.1	100.0
1964	51.8	11.6	−1.6	3.4	2.6	7.4	−0.3	74.9	12.8	12.1	0.1	100.0
1965	52.2	11.4	−1.5	3.4	2.5	7.0	−0.6	74.5	13.2	12.0	0.4	100.0
1966	52.8	10.9	−1.4	3.3	3.2	6.7	−0.5	74.9	13.0	11.8	0.3	100.0
1967	54.5	10.3	−1.3	3.6	1.9	6.6	−0.5	74.9	13.3	11.7	0.0	100.0
1968	54.2	10.7	−1.2	3.6	1.8	6.6	−0.5	75.2	13.3	11.4	0.0	100.0
1969	55.1	10.4	−1.1	3.9	1.8	6.5	−0.7	75.8	13.4	11.3	−0.6	100.0
1970	55.6	9.0	−1.1	4.0	1.4	6.3	−0.2	75.0	13.2	11.4	0.4	100.0
1971	55.5	9.2	−1.1	4.1	1.7	6.3	−0.7	74.9	13.0	11.1	0.9	100.0
1972	55.6	10.3	−1.0	4.3	1.6	5.9	−1.0	75.7	13.2	10.9	0.2	100.0
1973	54.9	12.5	−1.0	4.3	2.4	5.4	−1.9	76.6	12.6	10.8	0.0	100.0
1974	55.1	13.6	−1.1	5.2	2.6	4.7	−2.9	77.2	12.4	10.9	−0.4	100.0
1975	57.2	11.9	−1.1	5.2	2.4	4.6	−1.8	78.5	10.6	11.0	−0.2	100.0
1976	57.3	10.5	−0.9	5.8	1.7	4.4	−1.1	77.7	11.3	10.9	0.1	100.0
1977	57.7	10.0	−1.0	6.3	1.4	4.4	−1.6	77.1	11.4	11.0	0.4	100.0
1978	57.0	11.1	−1.2	6.9	1.6	4.3	−2.0	77.6	11.1	11.2	0.1	100.0
1979	56.1	13.0	−1.2	7.3	1.5	4.1	−2.7	78.1	10.6	11.3	0.0	100.0
1980	56.7	12.5	−1.1	7.6	1.4	4.0	−2.4	78.6	9.9	11.5	0.0	100.0
1981	56.9	9.9	−1.1	8.1	1.4	4.0	−2.1	77.0	11.4	11.4	0.3	100.0
1982	57.8	6.2	−1.0	8.5	1.3	4.0	−1.1	75.9	11.6	12.0	0.5	100.0

[1] See note 1 on reference table 9.

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 12
Structural Changes in Income
(Per Cent Distribution of Net National Income by Components)
1947 – 1982

Year	Wages, salaries and supplementary labour income[1]	Corporation profits before taxes	Dividends paid to non-residents	Interest and miscellaneous investment income	Accrued net income of farm operators from farm production	Net income of non-farm unincorporated business including rents	Inventory valuation adjustment	Net national income at factor cost
1947	63.8	17.5	−2.4	1.8	10.4	14.2	−5.4	100.0
1948	63.6	16.5	−2.1	2.0	11.0	13.0	−4.1	100.0
1949	63.6	15.1	−2.4	2.2	9.1	13.3	−0.8	100.0
1950	62.9	17.9	−2.8	2.7	8.9	12.9	−2.6	100.0
1951	62.6	18.3	−2.2	2.7	10.9	11.5	−3.7	100.0
1952	62.0	15.8	−1.8	2.7	9.6	11.1	0.6	100.0
1953	64.9	14.8	−1.6	2.9	7.3	11.7	0.0	100.0
1954	67.3	13.8	−1.7	3.1	4.6	12.5	0.4	100.0
1955	65.6	15.9	−1.8	3.5	5.1	12.5	−0.8	100.0
1956	66.3	16.1	−1.8	3.6	5.3	11.6	−1.0	100.0
1957	69.1	14.0	−2.0	3.9	3.6	11.7	−0.2	100.0
1958	68.0	13.9	−1.8	4.0	4.2	11.9	−0.2	100.0
1959	69.0	14.3	−1.9	3.8	3.6	11.6	−0.4	100.0
1960	69.8	13.4	−1.7	3.9	3.6	11.1	−0.1	100.0
1961	70.5	13.7	−2.1	4.3	2.8	10.9	−0.1	100.0
1962	69.4	13.7	−1.9	4.4	4.3	10.4	−0.3	100.0
1963	69.0	14.2	−1.9	4.5	4.5	10.3	−0.6	100.0
1964	69.1	15.5	−2.1	4.6	3.5	9.8	−0.4	100.0
1965	70.1	15.3	−2.0	4.6	3.4	9.4	−0.8	100.0
1966	70.5	14.5	−1.8	4.5	4.2	8.9	−0.7	100.0
1967	72.7	13.7	−1.8	4.7	2.5	8.8	−0.7	100.0
1968	72.0	14.2	−1.5	4.8	2.4	8.7	−0.6	100.0
1969	72.6	13.7	−1.4	5.1	2.4	8.6	−1.0	100.0
1970	74.1	12.0	−1.5	5.3	1.9	8.4	−0.3	100.0
1971	74.1	12.3	−1.5	5.5	2.2	8.4	−0.9	100.0
1972	73.5	13.6	−1.3	5.7	2.1	7.7	−1.3	100.0
1973	71.7	16.3	−1.3	5.7	3.2	7.0	−2.5	100.0
1974	71.4	17.8	−1.4	6.7	3.4	6.1	−3.7	100.0
1975	72.9	15.1	−1.4	6.7	3.0	5.9	−2.3	100.0
1976	73.7	13.5	−1.2	7.5	2.2	5.7	−1.4	100.0
1977	74.9	13.0	−1.3	8.2	1.8	5.7	−2.1	100.0
1978	73.4	14.3	−1.6	8.9	2.0	5.5	−2.6	100.0
1979	71.9	16.6	−1.5	9.3	1.9	5.2	−3.5	100.0
1980	72.1	15.9	−1.4	9.7	1.7	5.1	−3.1	100.0
1981	73.9	12.8	−1.5	10.5	1.7	5.2	−2.7	100.0
1982	76.2	8.2	−1.3	11.2	1.8	5.3	−1.4	100.0

[1] See note 1 on reference table 9.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 13
Indexes of Real Income
1947 – 1982
(1971 = 100)

Year	Real net national income			Real personal income			Real personal disposable income			Real wages and salaries and supplementary income and military pay		Real average weekly wages and salaries
	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per paid employee	Per employee[1]	
1947	50.9	59.5	49.1	50.2	58.7	48.4	56.6	66.2	54.6	54.7	—	—
1948	51.1	58.8	50.0	49.9	57.4	48.7	56.6	65.1	55.3	54.4	—	—
1949	50.6	59.1	51.7	48.8	56.8	49.6	55.8	64.9	56.7	55.5	—	—
1950	52.8	60.5	54.1	49.5	56.6	50.6	57.0	65.2	58.3	56.8	—	—
1951	55.4	62.7	56.6	51.7	58.4	52.8	58.7	66.4	60.0	57.4	—	—
1952	59.5	67.1	61.8	54.3	61.2	56.4	61.1	68.9	63.4	60.6	—	—
1953	60.0	67.4	63.2	55.7	62.5	58.6	62.4	70.0	65.7	64.2	—	—
1954	57.4	64.3	62.1	54.1	60.5	58.5	60.6	67.8	65.5	65.4	—	—
1955	61.2	68.3	66.5	56.8	63.3	61.6	63.8	71.2	69.3	66.9	—	—
1956	65.4	72.6	69.9	60.3	67.0	64.4	67.5	74.9	72.1	69.7	—	—
1957	64.0	71.2	68.7	60.7	67.6	65.2	67.7	75.4	72.7	70.9	—	—
1958	63.1	70.4	70.1	60.8	67.8	67.5	68.5	76.4	76.1	70.5	—	—
1959	64.0	71.1	70.7	61.9	68.8	68.4	69.2	76.9	76.5	71.5	—	—
1960	64.5	71.3	71.7	63.2	69.9	70.3	70.1	77.6	78.0	72.9	—	—
1961	64.8	72.1	72.4	62.6	69.6	69.9	69.1	76.9	77.2	74.5	74.5	74.0
1962	68.2	75.4	75.5	66.0	72.9	73.1	73.0	80.7	80.9	75.9	75.3	75.2
1963	70.7	77.6	77.9	67.8	74.4	74.7	75.0	82.3	82.6	77.3	76.4	76.6
1964	74.4	81.0	80.5	70.3	76.6	76.1	77.0	83.9	83.4	79.6	78.3	78.5
1965	78.4	84.7	83.2	74.6	80.6	79.2	81.4	88.0	86.5	82.2	80.9	81.0
1966	83.6	89.8	86.8	79.6	85.4	82.6	85.1	91.4	88.4	84.9	84.1	83.0
1967	85.3	90.4	87.7	82.9	87.8	85.2	87.4	92.5	89.8	88.0	87.5	85.7
1968	88.5	92.4	90.7	86.2	90.0	88.3	89.6	93.5	91.8	89.2	89.3	87.9
1969	93.1	95.7	93.8	90.8	93.4	91.5	92.4	95.1	93.1	92.7	92.3	90.7
1970	94.1	95.3	95.1	93.3	94.4	94.2	93.4	94.6	94.4	95.3	95.2	94.3
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	107.1	105.2	105.2	107.6	105.6	105.6	108.1	106.1	106.1	103.5	103.4	104.3
1973	117.2	112.8	110.8	115.8	111.4	109.5	116.6	112.2	110.2	105.6	105.7	104.5
1974	124.9	118.0	115.0	122.5	115.7	112.8	122.5	115.7	112.8	109.0	108.3	104.2
1975	126.9	117.9	116.6	127.3	118.2	116.9	128.2	119.1	117.7	112.7	112.6	107.6
1976	133.5	121.6	121.7	133.5	121.5	121.6	133.3	121.3	121.5	119.0	119.3	112.4
1977	133.2	119.1	120.7	135.4	121.1	122.7	134.9	120.6	122.2	120.1	119.0	114.7
1978	136.4	120.0	120.9	138.6	122.0	122.9	139.4	122.7	123.7	118.5	118.5	113.5
1979	141.1	121.8	121.5	140.5	121.3	121.0	141.8	122.4	122.1	116.5	117.0	112.9
1980	141.5	120.3	120.1	141.3	120.1	119.9	142.2	120.9	120.7	114.9	116.7	112.3
1981	139.6	116.5	116.8	146.6	122.3	122.6	146.0	121.8	122.2	114.4	115.3	112.7
1982	129.7	106.3	113.4	144.0	118.1	125.9	142.9	117.2	124.9	114.9	115.3	112.2

Reference Table 13 (continued)
Indexes of Real Income
1947 – 1982

Year	Real net national income			Real personal income			Real personal disposable income			Real wages and salaries and supplementary income and military pay		Real average weekly wages and salaries
	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per capita	Per household	Per employee	Per paid employee	Per employee[1]	
	(Per cent change)											
1948	0.5	−1.2	1.8	−0.6	−2.3	0.6	0.0	−1.6	1.3	−0.5	—	—
1949	−0.6	0.5	3.4	−2.1	−1.0	1.9	−1.4	−0.3	2.6	2.0	—	—
1950	3.9	2.3	4.6	1.3	−0.3	2.0	2.1	0.5	2.8	2.3	—	—
1951	4.9	3.6	4.6	4.5	3.2	4.2	3.1	1.9	2.9	1.0	—	—
1952	7.4	7.1	9.2	4.9	4.8	6.8	4.0	3.7	5.8	5.6	—	—
1953	0.8	0.4	2.3	2.6	2.1	4.0	2.1	1.6	3.6	6.0	—	—
1954	−4.4	−4.6	−1.7	−3.0	−3.2	−0.3	−3.0	−3.2	−0.3	1.8	—	—
1955	6.6	6.3	7.0	5.0	4.6	5.4	5.3	5.0	5.7	2.3	—	—
1956	6.8	6.3	5.1	6.2	5.7	4.5	5.8	5.3	4.1	4.3	—	—
1957	−2.2	−1.9	−1.7	0.6	0.9	1.2	0.3	0.6	0.8	1.6	—	—
1958	−1.3	−1.2	2.0	0.2	0.3	3.6	1.3	1.4	4.7	−0.5	—	—
1959	1.4	1.0	0.9	1.8	1.5	1.3	1.0	0.7	0.5	1.4	—	—
1960	0.7	0.3	1.3	2.1	1.7	2.7	1.3	0.8	1.8	1.9	—	—
1961	0.5	1.0	1.1	−1.0	−0.5	−0.5	−1.4	−0.9	−0.9	2.2	—	—
1962	5.3	4.6	4.3	5.5	4.8	4.5	5.6	4.9	4.7	1.9	1.1	1.6
1963	3.7	3.0	3.1	2.8	2.1	2.2	2.8	2.1	2.2	1.9	1.4	1.9
1964	5.2	4.3	3.4	3.7	2.9	1.9	2.7	1.9	0.9	2.9	2.4	2.5
1965	5.4	4.6	3.3	6.1	5.3	4.1	5.7	4.9	3.7	3.3	3.4	3.2
1966	6.7	6.0	4.3	6.7	6.0	4.2	4.6	3.9	2.2	3.3	3.9	2.4
1967	2.0	0.6	1.0	4.2	2.8	3.1	2.6	1.2	1.6	3.6	4.1	3.2
1968	3.7	2.2	3.4	4.0	2.5	3.7	2.6	1.1	2.3	1.4	2.1	2.7
1969	5.1	3.7	3.4	5.3	3.8	3.6	3.1	1.7	1.5	3.9	3.3	3.2
1970	1.1	−0.4	1.4	2.7	1.1	3.0	1.1	−0.5	1.3	2.8	3.1	3.9
1971	6.3	4.9	5.2	7.2	5.9	6.1	7.0	5.7	5.9	4.9	5.1	6.0
1972	7.1	5.2	5.2	7.6	5.6	5.6	8.1	6.1	6.1	3.5	3.4	4.3
1973	9.4	7.3	5.4	7.6	5.5	3.6	7.8	5.8	3.9	2.0	2.3	0.2
1974	6.5	4.5	3.7	5.8	3.8	3.0	5.0	3.1	2.3	3.3	2.5	−0.3
1975	1.7	0.0	1.4	3.9	2.2	3.7	4.7	2.9	4.4	3.4	3.9	3.3
1976	5.2	3.1	4.4	4.9	2.8	4.1	4.0	1.9	3.2	5.5	5.9	4.5
1977	−0.4	−2.0	−0.8	1.3	−0.4	0.8	1.1	−0.6	0.6	1.0	−0.2	2.0
1978	2.4	0.7	0.2	2.5	0.7	0.2	3.5	1.7	1.2	−1.4	−0.4	−1.1
1979	3.5	1.5	0.5	1.3	−0.6	−1.6	1.7	−0.2	−1.3	−1.7	−1.2	−0.5
1980	0.3	−1.2	−1.2	0.6	−1.0	−0.9	0.3	−1.3	−1.2	−1.4	−0.3	−0.5
1981	−1.4	−3.2	−2.7	3.7	1.8	2.3	2.7	0.8	1.2	−0.4	−1.3	0.3
1982	−7.1	−8.7	−2.9	−1.7	−3.4	2.7	−2.1	−3.8	2.3	0.4	−0.0	−0.4

(1) "Estimates of employees".

Source: Statistics Canada, *The Labour Force*, monthly, cat. 71-001; *Estimates of Employees by Province and Industry*, monthly, cat. 72-008; *National Income and Expenditure Accounts*, cat. 13-533; *Employment, Earnings and Hours*, monthly, cat. 72-002; and *Census of Canada*, annual, cat. 91-001. Real incomes are computed by dividing the various nominal income measures by the national accounts implicit price index for consumer expenditure. The household data from 1961 to the present, are from Statistics Canada, *Household Equipment*, cat. 64-202, while data prior to 1961 were derived by interpolating the census benchmarks.

Reference Table 14
Personal Income and Expenditure
1947 – 1982

Year	Personal income	Personal disposable income	Personal expenditure	Personal saving	Ratio of personal savings to personal disposable income	Personal disposable income per capita	Personal expenditure per capita
D	40042 40552	40057 40295	40014 40254	40054 40413			
		(Millions of dollars)			(Per cent)	(Dollars)	
1947	10,926	9,964	9,362	544	5.5	794	746
1948	12,592	11,559	10,370	1,138	9.8	901	809
1949	13,396	12,383	11,365	965	7.8	921	845
1950	14,262	13,285	12,482	738	5.6	969	910
1951	16,791	15,435	13,857	1,496	9.7	1,102	989
1952	18,592	16,922	15,162	1,665	9.8	1,170	1,049
1953	19,550	17,718	16,181	1,423	8.0	1,194	1,090
1954	19,717	17,868	16,934	804	4.5	1,169	1,108
1955	21,265	19,331	18,388	797	4.1	1,231	1,171
1956	23,531	21,307	20,090	1,051	4.9	1,325	1,249
1957	25,170	22,714	21,492	1,047	4.6	1,367	1,294
1958	26,651	24,313	22,845	1,278	5.3	1,423	1,338
1959	28,108	25,440	24,390	844	3.3	1,455	1,395
1960	29,595	26,567	25,479	867	3.3	1,487	1,426
1961	30,104	26,904	25,930	745	2.8	1,475	1,422
1962	32,788	29,340	27,452	1,647	5.6	1,579	1,477
1963	34,829	31,168	29,225	1,691	5.4	1,646	1,544
1964	37,282	33,049	31,389	1,383	4.2	1,713	1,627
1965	41,071	36,263	33,947	2,001	5.5	1,846	1,728
1966	46,094	39,901	36,890	2,662	6.7	1,994	1,843
1967	50,579	43,123	39,972	2,736	6.3	2,116	1,962
1968	55,677	46,820	43,704	2,639	5.6	2,262	2,111
1969	61,804	50,911	47,492	2,730	5.4	2,424	2,261
1970	66,633	54,009	50,327	2,872	5.3	2,536	2,363
1971	74,092	59,943	55,616	3,509	5.9	2,779	2,579
1972	83,767	68,100	62,208	5,015	7.4	3,124	2,853
1973	97,832	79,719	71,278	7,230	9.0	3,617	3,234
1974	116,867	94,545	83,388	9,406	9.9	4,228	3,729
1975	136,205	110,996	96,995	12,139	10.9	4,890	4,273
1976	155,343	125,510	110,886	12,560	10.0	5,459	4,823
1977	171,303	138,094	122,530	13,367	9.7	5,930	5,262
1978	190,403	154,975	135,153	17,172	11.1	6,585	5,743
1979	212,867	173,810	150,521	19,378	11.1	7,313	6,333
1980	239,891	195,338	168,395	21,889	11.2	8,120	7,000
1981	280,413	225,989	191,025	28,114	12.4	9,284	7,848
1982	307,750	247,074	205,952	33,850	13.7	10,042	8,371

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 15

Personal Income, Canada and by Province

1955 – 1981

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	30303	30304	30305	30306	30307	30308	30309	30310	30311	30312	30313	30315
						(Millions of dollars)						
1955	292	67	683	489	5,296	8,525	1,073	1,058	1,475	2,242	43	21,265
1956	325	85	732	534	5,840	9,320	1,206	1,205	1,719	2,482	59	23,531
1957	350	77	785	556	6,363	10,211	1,223	1,037	1,749	2,728	59	25,170
1958	361	83	820	585	6,655	10,802	1,352	1,156	1,958	2,786	59	26,651
1959	383	96	874	626	7,005	11,406	1,419	1,200	2,039	2,948	61	28,108
1960	412	97	920	664	7,422	11,923	1,492	1,352	2,134	3,058	63	29,595
1961	440	102	946	671	7,828	12,187	1,436	1,084	2,199	3,091	59	30,104
1962	462	114	995	707	8,446	13,098	1,611	1,529	2,411	3,279	62	32,788
1963	493	116	1,043	751	8,933	13,976	1,647	1,686	2,535	3,509	67	34,829
1964	531	128	1,108	809	9,742	15,030	1,775	1,539	2,652	3,822	70	37,282
1965	604	137	1,181	880	10,685	16,537	1,892	1,789	2,941	4,271	69	41,071
1966	680	151	1,302	979	11,880	18,655	2,039	2,047	3,374	4,817	80	46,094
1967	755	168	1,446	1,067	13,175	20,553	2,280	1,932	3,665	5,348	90	50,579
1968	837	189	1,580	1,183	14,193	22,844	2,523	2,187	4,111	5,837	104	55,677
1969	923	205	1,766	1,295	15,565	25,629	2,704	2,269	4,589	6,645	122	61,804
1970	1,025	229	1,895	1,412	16,682	27,974	2,857	2,133	4,953	7,245	148	66,633
1971	1,143	243	2,100	1,576	18,369	30,966	3,192	2,555	5,534	8,182	158	74,092
1972	1,301	287	2,436	1,810	20,823	34,822	3,564	2,767	6,267	9,417	193	83,767
1973	1,526	355	2,850	2,105	24,067	39,884	4,244	3,673	7,471	11,331	235	97,832
1974	1,903	400	3,375	2,539	28,980	47,060	4,985	4,519	9,019	13,687	293	116,867
1975	2,259	493	3,894	3,080	33,801	53,902	5,865	5,660	10,991	15,787	346	136,205
1976	2,582	547	4,416	3,460	39,204	60,959	6,473	6,199	12,783	18,187	398	155,343
1977	2,848	598	4,913	3,783	43,037	67,164	7,059	6,373	14,575	20,348	459	171,303
1978	3,066	704	5,503	4,209	47,438	74,314	7,779	7,107	16,824	22,791	513	190,403
1979	3,416	769	6,111	4,707	52,665	82,305	8,416	7,889	20,049	25,800	581	212,867
1980	3,720	880	6,724	5,098	59,421	92,006	9,199	8,764	23,555	29,680	676	239,891
1981	4,276	963	7,667	5,757	68,637	106,825	11,087	11,212	28,586	34,403	814	280,413
						(Per cent change)						
1955	7.4	−2.9	2.9	4.5	5.3	7.5	7.1	28.4	9.6	9.4	10.3	7.9
1956	11.3	26.9	7.2	9.2	10.3	9.3	12.4	13.9	16.5	10.7	37.2	10.7
1957	7.7	−9.4	7.2	4.1	9.0	9.6	1.4	−13.9	1.7	9.9	0.0	7.0
1958	3.1	7.8	4.5	5.2	4.6	5.8	10.5	11.5	11.9	2.5	0.0	5.9
1959	6.1	15.7	6.6	7.0	5.3	5.6	5.0	3.8	4.1	5.8	3.4	5.5
1960	7.6	1.0	5.3	6.1	6.0	4.5	5.1	12.7	4.7	3.7	3.3	5.3
1961	6.8	5.2	2.8	1.1	5.5	2.2	−3.8	−19.8	3.0	1.1	−6.3	1.7
1962	5.0	11.8	5.2	5.4	7.9	7.5	12.2	41.1	9.6	6.1	5.1	8.9
1963	6.7	1.8	4.8	6.2	5.8	6.7	2.2	10.3	5.1	7.0	8.1	6.2
1964	7.7	10.3	6.2	7.7	9.1	7.5	7.8	−8.7	4.6	8.9	4.5	7.0
1965	13.7	7.0	6.6	8.8	9.7	10.0	6.6	16.2	10.9	11.7	−1.4	10.2
1966	12.6	10.2	10.2	11.2	11.2	12.8	7.8	14.4	14.7	12.8	15.9	12.2
1967	11.0	11.3	11.1	9.0	10.9	10.2	11.8	−5.6	8.6	11.0	12.5	9.7
1968	10.9	12.5	9.3	10.9	7.7	11.1	10.7	13.2	12.2	9.1	15.6	10.1
1969	10.3	8.5	11.8	9.5	9.7	12.2	7.2	3.7	11.6	13.8	17.3	11.0
1970	11.1	11.7	7.3	9.0	7.2	9.1	5.7	−6.0	7.9	9.0	21.3	7.8
1971	11.5	6.1	10.8	11.6	10.1	10.7	11.7	19.8	11.7	12.9	6.8	11.2
1972	13.8	18.1	16.0	14.8	13.4	12.5	11.7	8.3	13.2	15.1	22.2	13.1
1973	17.3	23.7	17.0	16.3	15.6	14.5	19.1	32.7	19.2	20.3	21.8	16.8
1974	24.7	12.7	18.4	20.6	20.4	18.0	17.5	23.0	20.7	20.8	24.7	19.5
1975	18.7	23.2	15.4	21.3	16.6	14.5	17.7	25.2	21.9	15.3	18.1	16.5
1976	14.3	11.0	13.4	12.3	16.0	13.1	10.4	9.5	16.3	15.2	15.0	14.1
1977	10.3	9.3	11.3	9.3	9.8	10.2	9.1	2.8	14.0	11.9	15.3	10.3
1978	7.7	17.7	12.0	11.3	10.2	10.6	10.2	11.5	15.4	12.0	11.8	11.1
1979	11.4	9.2	11.0	11.8	11.0	10.8	8.2	11.0	19.2	13.2	13.3	11.8
1980	8.9	14.4	10.0	8.3	12.8	11.8	9.3	11.1	17.5	15.0	16.4	12.7
1981	14.9	9.4	14.0	12.9	15.5	16.1	20.5	27.9	21.4	15.9	20.4	16.9

Reference Table 15 (continued)

Personal Income, Canada and by Province
1955 – 1981

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
	(Percentage distribution of total among provinces)											
1955	1.4	0.3	3.2	2.3	24.9	40.1	5.0	5.0	6.9	10.5	0.2	100.0
1956	1.4	0.4	3.1	2.3	24.8	39.6	5.1	5.1	7.3	10.5	0.3	100.0
1957	1.4	0.3	3.1	2.2	25.3	40.6	4.9	4.1	7.0	10.8	0.2	100.0
1958	1.4	0.3	3.1	2.2	25.0	40.5	5.1	4.3	7.3	10.5	0.2	100.0
1959	1.4	0.3	3.1	2.2	24.9	40.6	5.0	4.3	7.3	10.5	0.2	100.0
1960	1.4	0.3	3.1	2.2	25.1	40.3	5.0	4.6	7.2	10.3	0.2	100.0
1961	1.5	0.3	3.1	2.2	26.0	40.5	4.8	3.6	7.3	10.3	0.2	100.0
1962	1.4	0.3	3.0	2.2	25.8	39.9	4.9	4.7	7.4	10.0	0.2	100.0
1963	1.4	0.3	3.0	2.2	25.6	40.1	4.7	4.8	7.3	10.1	0.2	100.0
1964	1.4	0.3	3.0	2.2	26.1	40.3	4.8	4.1	7.1	10.3	0.2	100.0
1965	1.5	0.3	2.9	2.1	26.0	40.3	4.6	4.4	7.2	10.4	0.2	100.0
1966	1.5	0.3	2.8	2.1	25.8	40.5	4.4	4.4	7.3	10.5	0.2	100.0
1967	1.5	0.3	2.9	2.1	26.0	40.6	4.5	3.8	7.2	10.6	0.2	100.0
1968	1.5	0.3	2.8	2.1	25.5	41.0	4.5	3.9	7.4	10.5	0.2	100.0
1969	1.5	0.3	2.9	2.1	25.2	41.5	4.4	3.7	7.4	10.8	0.2	100.0
1970	1.5	0.3	2.8	2.1	25.0	42.0	4.3	3.2	7.4	10.9	0.2	100.0
1971	1.5	0.3	2.8	2.1	24.8	41.8	4.3	3.4	7.5	11.0	0.2	100.0
1972	1.6	0.3	2.9	2.2	24.9	41.6	4.3	3.3	7.5	11.2	0.2	100.0
1973	1.6	0.4	2.9	2.2	24.6	40.8	4.3	3.8	7.6	11.6	0.2	100.0
1974	1.6	0.3	2.9	2.2	24.8	40.3	4.3	3.9	7.7	11.7	0.3	100.0
1975	1.7	0.4	2.9	2.3	24.8	39.6	4.3	4.2	8.1	11.6	0.3	100.0
1976	1.7	0.4	2.8	2.2	25.2	39.2	4.2	4.0	8.2	11.7	0.3	100.0
1977	1.7	0.3	2.9	2.2	25.1	39.2	4.1	3.7	8.5	11.9	0.3	100.0
1978	1.6	0.4	2.9	2.2	24.9	39.0	4.1	3.7	8.8	12.0	0.3	100.0
1979	1.6	0.4	2.9	2.2	24.7	38.7	4.0	3.7	9.4	12.1	0.3	100.0
1980	1.6	0.4	2.8	2.1	24.8	38.4	3.8	3.7	9.8	12.4	0.3	100.0
1981	1.5	0.3	2.7	2.1	24.5	38.1	4.0	4.0	10.2	12.3	0.3	100.0

Note: The Canada figure includes personal income of Canadians temporarily abroad (including pay and allowances of Canadian Armed Forces abroad). The Yukon and the Northwest Territories are included with British Columbia up to 1950.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 16

Personal Income Per Capita, Canada and by Province

1955 – 1981

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
D	30316	30317	30318	30319	30320	30321	30322	30323	30324	30325	30326	30327
						(Dollars)						
1955	719	670	1,000	894	1,172	1,619	1,279	1,205	1,352	1,671	1,483	1,355
1956	783	859	1,053	962	1,262	1,724	1,419	1,368	1,531	1,774	1,903	1,463
1957	825	778	1,120	989	1,334	1,812	1,419	1,178	1,503	1,841	1,903	1,515
1958	836	830	1,157	1,025	1,357	1,856	1,545	1,297	1,624	1,811	1,788	1,560
1959	869	951	1,216	1,076	1,394	1,911	1,593	1,323	1,634	1,881	1,794	1,608
1960	920	942	1,265	1,127	1,443	1,951	1,647	1,478	1,653	1,909	1,750	1,656
1961	961	971	1,284	1,122	1,488	1,954	1,557	1,172	1,651	1,897	1,595	1,651
1962	987	1,065	1,334	1,169	1,573	2,062	1,721	1,644	1,761	1,975	1,550	1,764
1963	1,036	1,074	1,389	1,233	1,630	2,156	1,736	1,807	1,807	2,065	1,634	1,840
1964	1,099	1,174	1,468	1,324	1,745	2,267	1,851	1,634	1,856	2,190	1,667	1,933
1965	1,238	1,257	1,562	1,431	1,880	2,436	1,961	1,883	2,028	2,377	1,683	2,091
1966	1,379	1,385	1,722	1,587	2,055	2,680	2,117	2,143	2,306	2,570	1,860	2,303
1967	1,513	1,541	1,903	1,721	2,247	2,884	2,368	2,019	2,460	2,750	2,045	2,482
1968	1,654	1,718	2,060	1,893	2,394	3,146	2,598	2,278	2,698	2,914	2,311	2,690
1969	1,796	1,847	2,279	2,062	2,601	3,470	2,762	2,368	2,944	3,226	2,596	2,943
1970	1,983	2,082	2,423	2,252	2,774	3,705	2,906	2,267	3,105	3,405	2,960	3,129
1971	2,190	2,189	2,662	2,482	3,047	4,020	3,231	2,759	3,399	3,745	2,981	3,435
1972	2,455	2,540	3,064	2,828	3,440	4,459	3,596	3,027	3,782	4,202	3,386	3,842
1973	2,842	3,114	3,545	3,253	3,959	5,043	4,261	4,059	4,421	4,922	3,917	4,438
1974	3,518	3,478	4,156	3,882	4,733	5,843	4,950	5,021	5,238	5,761	4,883	5,226
1975	4,115	4,214	4,749	4,632	5,470	6,596	5,784	6,240	6,182	6,489	5,492	6,001
1976	4,627	4,636	5,327	5,111	6,288	7,376	6,334	6,731	6,955	7,372	6,219	6,756
1977	5,077	4,983	5,898	5,531	6,837	8,039	6,867	6,816	7,627	8,139	7,062	7,356
1978	5,456	5,818	6,567	6,109	7,516	8,801	7,538	7,537	8,480	8,966	7,657	8,091
1979	6,067	6,303	7,258	6,792	8,298	9,678	8,171	8,287	9,737	9,961	8,672	8,956
1980	6,584	7,154	7,957	7,325	9,298	10,731	8,966	8,120	10,992	11,133	9,941	9,971
1981	7,528	7,829	9,041	8,272	10,661	12,386	10,806	11,583	12,779	12,538	11,797	11,520
						(Per cent change)						
1955	4.4	−1.9	1.4	3.2	2.3	4.4	5.0	27.7	6.2	5.5	2.7	5.0
1956	8.9	28.1	5.3	7.6	7.6	6.5	−0.2	13.5	13.2	6.2	28.4	8.0
1957	5.4	−9.4	6.3	2.8	5.7	5.1	0.0	−13.9	−1.8	3.8	0.0	3.6
1958	1.2	6.7	3.3	3.6	1.7	2.4	8.9	10.1	8.1	−1.6	−6.1	3.0
1959	3.9	14.5	5.1	5.0	2.7	3.0	3.1	2.0	0.6	3.9	0.3	3.0
1960	5.9	−0.9	4.1	4.8	3.5	2.1	3.4	11.7	1.2	1.5	−2.5	3.0
1961	4.5	3.2	1.4	−0.5	3.1	0.2	−5.4	−20.7	−0.1	−0.6	−8.9	−0.3
1962	2.8	9.7	3.9	4.1	5.6	5.5	10.5	40.3	6.7	4.1	−2.8	6.9
1963	4.9	0.8	4.1	5.5	3.6	4.6	0.8	9.9	2.6	4.6	5.4	4.3
1964	6.1	9.3	5.7	7.4	7.0	5.1	6.6	−9.6	2.7	6.0	2.0	5.1
1965	12.6	7.0	6.4	8.1	7.7	7.5	5.9	15.3	9.3	8.5	1.0	8.2
1966	11.4	10.2	10.2	10.9	9.3	10.0	8.0	13.8	13.7	8.1	10.5	10.1
1967	9.7	11.3	10.5	8.5	9.3	7.6	11.8	−5.8	6.7	7.0	9.9	7.8
1968	9.3	11.5	8.3	10.0	6.6	9.1	9.7	12.8	9.7	6.0	13.0	8.4
1969	8.6	7.5	10.6	8.9	8.6	10.3	6.3	4.0	9.1	10.7	12.3	9.4
1970	10.4	12.7	6.3	9.2	6.7	6.8	5.2	−4.3	5.5	5.5	14.0	6.3
1971	10.4	5.2	9.8	10.2	9.8	8.5	11.2	21.7	9.5	10.0	0.7	9.8
1972	12.1	16.0	15.1	14.0	12.9	10.9	11.3	9.7	11.3	12.2	13.6	11.8
1973	15.8	22.6	15.7	15.0	15.1	13.1	18.5	34.1	16.9	17.1	15.7	15.5
1974	23.8	11.7	17.3	19.3	19.5	15.9	16.2	23.7	18.5	17.0	24.7	17.7
1975	17.0	21.1	14.3	19.3	15.6	12.9	16.8	24.3	18.0	12.6	12.5	14.8
1976	12.5	10.0	12.2	10.3	14.9	11.8	9.5	7.9	12.5	13.6	13.2	12.6
1977	9.7	7.5	10.7	8.2	8.7	9.0	8.4	1.3	9.7	10.4	13.6	8.9
1978	7.5	16.8	11.3	10.5	9.9	9.5	9.8	10.6	11.2	10.2	8.4	10.0
1979	11.2	8.3	10.5	11.2	10.4	10.0	8.4	10.0	14.8	11.1	13.3	10.7
1980	8.5	13.5	9.6	7.8	12.1	10.9	9.7	10.1	12.9	11.8	14.6	11.3
1981	14.3	9.4	13.6	12.9	14.7	15.4	20.5	27.0	16.3	12.6	18.7	15.5

Reference Table 16 (continued)
Personal Income Per Capita, Canada and by Province
1955 – 1981

Year	Nfld.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Y.T. & N.W.T.	Canada
	(Personal income per capita, by province, as a percentage of personal income per capita at the national level)											
1955	53.1	49.5	73.8	66.0	86.6	119.5	94.4	89.0	99.8	123.3	109.5	100.0
1956	53.5	58.7	72.0	65.8	86.2	117.8	97.0	93.5	104.6	121.2	130.1	100.0
1957	54.5	51.3	73.9	65.3	88.0	119.6	93.6	77.8	99.2	121.5	125.6	100.0
1958	53.6	53.2	74.1	65.7	87.0	118.9	99.0	83.1	104.0	116.1	114.6	100.0
1959	54.0	59.1	75.6	66.9	86.7	118.9	99.1	82.3	101.6	117.0	111.6	100.0
1960	55.5	56.9	76.4	68.1	87.2	117.8	99.4	89.2	99.8	115.3	105.7	100.0
1961	58.2	58.9	77.8	68.0	90.2	118.4	94.4	71.0	100.0	115.0	96.6	100.0
1962	55.9	60.4	75.6	66.2	89.1	116.9	97.5	93.2	99.8	112.0	87.8	100.0
1963	56.3	58.4	75.5	67.0	88.6	117.2	94.3	98.2	98.2	112.3	88.8	100.0
1964	56.9	60.8	75.9	68.5	90.3	117.3	95.8	84.5	96.0	113.3	86.2	100.0
1965	59.2	60.1	74.7	68.4	89.9	116.5	93.8	90.1	97.0	113.7	80.5	100.0
1966	59.9	60.2	74.8	68.9	89.2	116.4	91.9	93.1	100.1	111.6	80.8	100.0
1967	61.0	62.1	76.7	69.3	90.5	116.2	95.4	81.3	99.1	110.8	82.4	100.0
1968	61.5	63.9	76.6	70.4	89.0	117.0	96.6	84.7	100.3	108.3	85.9	100.0
1969	61.0	62.8	77.4	70.1	88.4	117.9	93.9	80.5	100.0	109.6	88.2	100.0
1970	63.4	66.5	77.5	72.0	88.7	118.4	92.9	72.4	99.3	108.8	94.6	100.0
1971	63.7	63.7	77.5	72.2	88.7	117.0	94.0	80.3	99.0	109.0	86.8	100.0
1972	63.9	66.1	79.8	73.6	89.5	116.0	93.6	78.8	98.4	109.4	88.1	100.0
1973	64.0	70.2	79.9	73.3	89.2	113.6	96.0	91.4	99.6	110.9	88.2	100.0
1974	67.3	66.6	79.5	74.3	90.6	111.8	94.7	96.1	100.2	110.2	93.4	100.0
1975	68.6	70.2	79.1	77.2	91.2	109.9	96.4	104.0	103.0	108.1	91.5	100.0
1976	68.5	68.6	78.8	75.6	93.1	109.2	93.7	99.6	102.9	109.1	92.0	100.0
1977	69.0	67.7	80.2	75.2	92.9	109.3	93.3	92.7	103.7	110.6	96.0	100.0
1978	67.4	71.9	81.2	75.5	92.9	108.8	93.2	93.2	104.8	110.8	94.6	100.0
1979	67.8	70.4	81.0	75.8	92.7	108.1	91.2	92.5	108.7	111.2	96.8	100.0
1980	66.0	71.8	79.8	73.5	93.2	107.6	89.9	91.5	110.2	111.6	99.7	100.0
1981	65.4	68.0	78.5	71.8	92.5	107.5	93.8	100.5	110.9	108.8	102.4	100.0

Note: Personal income per capita is obtained by dividing Personal Income by Population as of June. Per cent changes are calculated from unrounded data.
Source: Statistics Canada, *Estimates of Population for Canada and Provinces at June 1; National Income and Expenditure Accounts.*

Reference Table 17
Value of Retail Trade, Canada and by Region
1950 – 1982[1]

Year	Motor vehicle dealers	All other types of business	Total all stores					
			Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia[2]
			(Millions of dollars)					
1950	1,505	8,112	9,617	822	2,183	3,715	1,914	982
1951	1,884	8,809	10,693	899	2,443	4,130	2,122	1,100
1952	2,105	9,462	11,567	971	2,658	4,409	2,340	1,190
1953	2,303	9,886	12,189	1,004	2,793	4,666	2,485	1,241
1954	2,055	10,262	12,317	1,024	2,868	4,762	2,391	1,274
1955	2,415	11,058	13,473	1,125	3,109	5,296	2,496	1,447
1956	2,598	12,176	14,774	1,209	3,463	5,734	2,728	1,640
1957	2,547	12,876	15,423	1,233	3,710	5,943	2,855	1,683
1958	2,485	13,654	16,139	1,287	3,854	6,271	3,021	1,705
1959	2,701	14,386	17,087	1,356	4,114	6,615	3,208	1,793
1960	2,650	14,741	17,391	1,421	4,213	6,751	3,250	1,755
1961	2,599	15,154	17,752	1,456	4,490	6,808	3,238	1,760
1961	2,599	13,474	16,073	1,381	4,108	6,207	2,774	1,604
1962	2,957	14,180	17,137	1,429	4,486	6,526	2,945	1,751
1963	3,312	14,895	18,207	1,511	4,770	6,948	3,098	1,880
1964	3,612	15,881	19,493	1,616	5,120	7,386	3,305	2,066
1965	4,175	16,979	21,155	1,762	5,534	8,043	3,509	2,307
1966	4,338	18,349	22,686	1,861	5,882	8,625	3,811	2,507
1967	4,433	19,722	24,155	1,979	6,379	9,091	4,058	2,648
1968	4,714	20,997	25,711	2,135	6,565	9,885	4,267	2,859
1969	4,796	22,606	27,401	2,191	6,962	10,588	4,494	3,165
1970	4,197	23,837	28,034	2,295	7,074	10,885	4,520	3,260
1971	4,925	25,722	30,646	2,532	7,681	11,877	4,924	3,632
1972	6,240	27,846	34,086	2,786	8,612	13,058	5,568	4,062
1973	7,422	30,891	38,313	3,095	9,697	14,505	6,261	4,735
1974	8,303	36,435	44,739	3,638	11,385	16,570	7,603	5,543
1975	10,184	41,178	51,361	4,167	13,020	19,151	8,955	6,068
1976	11,058	46,070	57,128	4,625	14,448	21,057	10,183	6,815
1977	11,750	49,873	61,623	4,921	15,563	22,719	10,967	7,452
1978	13,480	55,299	68,778	5,615	17,196	25,186	12,355	8,426
1979	15,421	61,604	77,025	6,295	19,625	27,515	14,191	9,399
1980	15,698	68,328	84,026	6,628	20,895	29,666	16,027	10,810
1981	16,547	77,746	94,293	7,245	22,670	33,732	18,361	12,283
1982	14,486	82,865	97,352	7,714	23,496	35,522	18,746	11,874

Note: Figures may not cross-add due to rounding.

(1) Retail trade data prior to 1975 were based on samples of retail firms benchmarked to census information; there were overlaps of data benchmarked to different census years. Beginning with 1975, and extended back to 1971, retail trade data were obtained from a sample of firms derived from non-census information and these data are not comparable to earlier data. Data prior to 1961 were based on the 1948 Standard Industrial Classification, and the more recent data are based on the 1960 S.I.C.

(2) Includes the Yukon and Northwest Territories.

Source: Statistics Canada, *Retail Trade*, cat. 63-005.

Reference Table 18
Private and Public Investment in Canada
1960 – 1982

Year	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Subtotal			Construction	Machinery and equipment	Subtotal		
	Primary and construction industries					Manufacturing				
	(Millions of dollars)									
1960	511	680	1,191	506	1,697	335	843	1,178	671	1,849
1961	654	647	1,301	512	1,813	279	806	1,085	682	1,767
1962	647	745	1,392	536	1,928	353	916	1,269	750	2,019
1963	659	885	1,544	586	2,130	355	1,003	1,358	801	2,159
1964	769	1,059	1,828	660	2,488	443	1,388	1,831	896	2,727
1965	844	1,161	2,005	724	2,729	604	1,736	2,340	974	3,314
1966	1,066	1,348	2,414	796	3,210	788	2,126	2,914	1,096	4,010
1967	1,069	1,427	2,496	854	3,350	677	1,857	2,534	1,156	3,690
1968	1,086	1,341	2,427	914	3,341	657	1,542	2,199	1,232	3,431
1969	1,203	1,323	2,526	985	3,511	772	1,828	2,600	1,306	3,906
1970	1,284	1,268	2,552	1,112	3,664	997	2,226	3,223	1,417	4,640
1971	1,605	1,508	3,113	1,212	4,325	873	2,121	2,994	1,483	4,477
1972	1,528	1,785	3,313	1,304	4,617	829	2,119	2,948	1,657	4,605
1973	1,756	2,102	3,858	1,582	5,439	986	2,682	3,668	1,919	5,587
1974	2,184	2,529	4,713	1,899	6,612	1,425	3,525	4,950	2,310	7,260
1975	2,619	3,205	5,824	2,198	8,022	1,569	3,953	5,522	2,445	7,967
1976	3,094	4,168	7,262	2,540	9,802	1,440	4,026	5,465	2,891	8,357
1977	3,683	4,219	7,902	2,772	10,674	1,659	4,422	6,081	3,216	9,297
1978	4,058	4,440	8,498	2,972	11,469	1,544	4,635	6,178	3,596	9,774
1979	5,798	5,510	11,308	3,629	14,937	1,611	5,833	7,444	4,098	11,541
1980	8,302	6,061	14,363	4,501	18,864	2,256	7,491	9,747	4,731	14,478
1981	9,194	6,559	15,754	5,115	20,869	2,840	9,592	12,432	4,952	17,383
1982	10,978	7,241	18,219	5,692	23,912	3,123	10,737	13,860	5,662	19,522
	Utilities					Trade, finance and commercial services				
	(Millions of dollars)									
1960	1,074	698	1,772	713	2,485	466	409	875	168	1,043
1961	1,088	610	1,698	723	2,421	451	396	847	162	1,009
1962	982	619	1,601	734	2,335	438	422	860	164	1,024
1963	1,111	660	1,771	774	2,545	468	450	918	183	1,101
1964	1,332	727	2,059	822	2,881	548	494	1,042	195	1,237
1965	1,443	980	2,423	867	3,290	705	564	1,269	220	1,489
1966	1,666	1,260	2,926	945	3,871	860	667	1,527	248	1,775
1967	1,748	1,397	3,145	1,019	4,164	764	770	1,534	272	1,806
1968	1,774	1,446	3,220	1,070	4,290	710	762	1,472	300	1,772
1969	1,719	1,586	3,305	1,113	4,418	704	952	1,656	299	1,955
1970	2,044	1,584	3,628	1,218	4,846	760	985	1,745	323	2,068
1971	2,228	1,760	3,988	1,318	5,306	901	1,014	1,915	324	2,239
1972	2,357	1,872	4,229	1,424	5,653	1,212	1,430	2,642	355	2,997
1973	2,673	2,484	5,157	1,617	6,774	1,685	1,759	3,445	420	3,864
1974	3,154	3,087	6,241	2,002	8,243	2,184	2,145	4,329	510	4,839
1975	4,403	3,630	8,033	2,229	10,262	2,768	2,448	5,216	591	5,807
1976	4,426	3,828	8,254	2,588	10,842	2,724	2,546	5,270	724	5,994
1977	5,073	4,115	9,188	2,948	12,136	2,605	2,730	5,335	775	6,110
1978	5,626	4,900	10,526	3,393	13,918	2,925	3,402	6,327	912	7,239
1979	6,184	5,576	11,760	3,830	15,590	3,932	4,516	8,449	1,099	9,548
1980	6,717	6,047	12,763	4,439	17,202	4,430	5,079	9,509	1,222	10,731
1981	8,835	7,474	16,309	5,029	21,338	5,415	5,460	10,875	1,337	12,212
1982	11,181	8,040	19,221	5,812	25,033	5,847	5,986	11,833	1,468	13,301

Reference Table 18 (continued)
Private and Public Investment in Canada
1960 – 1982

Year	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Sub-total			Construction	Machinery and equipment	Sub-total		
	Institutions					Housing[1]				
	(Millions of dollars)									
1960	500	73	573	71	644	1,522	—	1,522	457	1,979
1961	536	81	617	78	695	1,497	—	1,497	484	1,981
1962	729	105	834	76	910	1,555	—	1,555	513	2,068
1963	757	116	873	75	948	1,652	—	1,652	544	2,196
1964	648	123	771	79	850	1,990	—	1,990	577	2,567
1965	867	145	1,012	82	1,094	2,218	—	2,218	618	2,836
1966	1,020	184	1,204	93	1,297	2,181	—	2,181	661	2,842
1967	1,107	208	1,315	113	1,428	2,378	—	2,378	713	3,091
1968	1,197	225	1,422	118	1,540	2,806	—	2,806	780	3,586
1969	1,134	209	1,343	133	1,476	3,384	—	3,384	844	4,228
1970	1,095	216	1,311	134	1,445	3,138	—	3,138	871	4,009
1971	1,199	236	1,435	152	1,587	4,025	—	4,025	951	4,976
1972	993	225	1,218	168	1,386	4,820	—	4,820	1,051	5,871
1973	914	228	1,142	175	1,316	5,978	—	5,978	1,188	7,165
1974	1,064	275	1,338	199	1,537	7,010	—	7,010	1,451	8,461
1975	1,191	293	1,484	224	1,708	7,114	—	7,114	1,576	8,690
1976	1,168	317	1,485	256	1,741	10,853	—	10,853	1,817	12,669
1977	1,180	335	1,514	313	1,827	11,065	—	11,065	2,061	13,126
1978	1,181	362	1,542	344	1,886	11,450	—	11,450	2,329	13,780
1979	1,328	363	1,690	369	2,059	11,617	—	11,617	2,649	14,267
1980	1,625	506	2,131	420	2,551	11,014	—	11,014	2,862	13,876
1981	1,781	580	2,362	516	2,877	13,140	—	13,140	3,220	16,360
1982	2007	630	2,637	523	3,160	12,819	—	12,819	3,578	16,397
	Government departments					Total				
	(Millions of dollars)									
1960	1,171	103	1,274	383	1,657	5,579	2,806	8,385	2,969	11,354
1961	1,125	122	1,247	380	1,627	5,630	2,662	8,292	3,021	11,313
1962	1,130	128	1,258	388	1,646	5,834	2,935	8,769	3,161	11,930
1963	1,154	128	1,282	393	1,675	6,157	3,242	9,398	3,356	12,754
1964	1,303	157	1,460	402	1,862	7,033	3,948	10,981	3,631	14,612
1965	1,494	174	1,668	442	2,110	8,175	4,760	12,935	3,927	16,862
1966	1,702	222	1,924	526	2,450	9,283	5,807	15,090	4,365	19,455
1967	1,731	215	1,946	573	2,519	9,474	5,874	15,348	4,700	20,048
1968	1,679	230	1,909	604	2,513	9,909	5,546	15,455	5,018	20,473
1969	1,908	205	2,113	583	2,696	10,824	6,103	16,927	5,263	22,190
1970	2,001	200	2,201	592	2,793	11,319	6,479	17,798	5,667	23,465
1971	2,443	271	2,714	620	3,334	13,274	6,910	20,184	6,060	26,244
1972	2,731	317	3,048	615	3,663	14,470	7,748	22,218	6,574	28,792
1973	2,962	410	3,372	708	4,080	16,953	9,666	26,618	7,608	34,226
1974	3,751	551	4,302	819	5,121	20,771	12,111	32,882	9,189	42,072
1975	4,392	633	5,025	892	5,917	24,055	14,162	38,216	10,155	48,371
1976	4,440	607	5,047	960	6,007	28,144	15,492	43,636	11,775	55,411
1977	4,865	648	5,513	1,085	6,598	30,130	16,467	46,596	13,170	59,767
1978	5,129	710	5,839	1,151	6,990	31,912	18,448	50,360	14,696	65,055
1979	5,377	710	6,087	1,300	7,387	35,847	22,508	58,354	16,974	75,328
1980	5,814	853	6,666	1,543	8,210	40,157	26,036	66,193	19,718	85,911
1981	6,595	1,047	7,642	1,775	9,417	47,800	30,712	78,512	21,944	100,456
1982	7,406	1,178	8,583	2,023	10,606	53,360	33,812	87,172	24,758	111,930

Note: 1981 figures are actual, 1982 figures are preliminary actual.

[1] Totals differ from housing expenditures as shown in reference tables 3 to 6, in that the national income and expenditure totals include selling costs, principally real estate commissions.

Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*, occasional, cat. 61-504; Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*, annual, cat. 61-205.

Reference Table 19
Private and Public Investment in Canada
1960 – 1982

Year	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Sub-total			Construction	Machinery and equipment	Sub-total		
	Primary and construction industries					Manufacturing				
	(Percentage distribution)									
1960	30.1	40.0	70.2	29.8	100.0	18.1	45.6	63.7	36.3	100.0
1961	36.1	35.7	71.8	28.2	100.0	15.8	45.6	61.4	38.6	100.0
1962	33.6	38.6	72.2	27.8	100.0	17.5	45.4	62.9	37.1	100.0
1963	30.9	41.5	72.5	27.5	100.0	16.4	46.5	62.9	37.1	100.0
1964	30.9	42.6	73.5	26.5	100.0	16.2	50.9	67.1	32.9	100.0
1965	30.9	42.5	73.5	26.5	100.0	18.2	52.4	70.6	29.4	100.0
1966	33.2	42.0	75.2	24.8	100.0	19.7	53.0	72.7	27.3	100.0
1967	31.9	42.6	74.5	25.5	100.0	18.3	50.3	68.7	31.3	100.0
1968	32.5	40.1	72.6	27.4	100.0	19.1	44.9	64.1	35.9	100.0
1969	34.3	37.7	71.9	28.1	100.0	19.8	46.8	66.6	33.4	100.0
1970	35.0	34.6	69.7	30.3	100.0	21.5	48.0	69.5	30.5	100.0
1971	37.1	34.9	72.0	28.0	100.0	19.5	47.4	66.9	33.1	100.0
1972	33.1	38.7	71.8	28.2	100.0	18.0	46.0	64.0	36.0	100.0
1973	32.3	38.6	70.9	29.1	100.0	17.6	48.0	65.7	34.3	100.0
1974	33.0	38.2	71.3	28.7	100.0	19.6	48.6	68.2	31.8	100.0
1975	32.7	40.0	72.6	27.4	100.0	19.7	49.6	69.3	30.7	100.0
1976	31.6	42.5	74.1	25.9	100.0	17.2	48.2	65.4	34.6	100.0
1977	34.5	39.5	74.0	26.0	100.0	17.8	47.6	65.4	34.6	100.0
1978	35.4	38.7	74.1	25.9	100.0	15.8	47.4	63.2	36.8	100.0
1979	38.8	36.9	75.7	24.3	100.0	14.0	50.5	64.5	35.5	100.0
1980	44.0	32.1	76.1	23.9	100.0	15.6	51.7	67.3	32.7	100.0
1981	44.1	31.4	75.5	24.5	100.0	16.3	55.2	71.5	28.5	100.0
1982	45.9	30.3	76.2	23.8	100.0	16.0	55.0	71.0	29.0	100.0
	Utilities					Trade, finance and commercial services				
	(Percentage distribution)									
1960	43.2	28.1	71.3	28.7	100.0	44.7	39.2	83.9	16.1	100.0
1961	44.9	25.2	70.1	29.9	100.0	44.7	39.2	83.9	16.1	100.0
1962	42.1	26.5	68.6	31.4	100.0	42.8	41.2	84.0	16.0	100.0
1963	43.7	25.9	69.6	30.4	100.0	42.5	40.9	83.4	16.6	100.0
1964	46.2	25.2	71.5	28.5	100.0	44.3	39.9	84.2	15.8	100.0
1965	43.9	29.8	73.6	26.4	100.0	47.3	37.9	85.2	14.8	100.0
1966	43.0	32.5	75.6	24.4	100.0	48.5	37.6	86.0	14.0	100.0
1967	42.0	33.5	75.5	24.5	100.0	42.3	42.6	84.9	15.1	100.0
1968	41.4	33.7	75.1	24.9	100.0	40.1	43.0	83.1	16.9	100.0
1969	38.9	35.9	74.8	25.2	100.0	36.0	48.7	84.7	15.3	100.0
1970	42.2	32.7	74.9	25.1	100.0	36.8	47.6	84.4	15.6	100.0
1971	42.0	33.2	75.2	24.8	100.0	40.2	45.3	85.5	14.5	100.0
1972	41.7	33.1	74.8	25.2	100.0	40.4	47.7	88.2	11.8	100.0
1973	39.5	36.7	76.1	23.9	100.0	43.6	45.5	89.1	10.9	100.0
1974	38.3	37.4	75.7	24.3	100.0	45.1	44.3	89.5	10.5	100.0
1975	42.9	35.4	78.3	21.7	100.0	47.7	42.2	89.8	10.2	100.0
1976	40.8	35.3	76.1	23.9	100.0	45.4	42.5	87.9	12.1	100.0
1977	41.8	33.9	75.7	24.3	100.0	42.6	44.7	87.3	12.7	100.0
1978	40.4	35.2	75.6	24.4	100.0	40.4	47.0	87.4	12.6	100.0
1979	39.7	35.8	75.4	24.6	100.0	41.2	47.3	88.5	11.5	100.0
1980	39.0	35.2	74.2	25.8	100.0	41.3	47.3	88.6	11.4	100.0
1981	41.4	35.0	76.4	23.6	100.0	44.3	44.7	89.1	10.9	100.0
1982	44.7	32.1	76.8	23.2	100.0	44.0	45.0	89.0	11.0	100.0

Reference Table 19 (continued)
Private and Public Investment in Canada
1960 – 1982

Year	Capital expenditures			Repair expenditures	Total	Capital expenditures			Repair expenditures	Total
	Construction	Machinery and equipment	Sub-total			Construction	Machinery and equipment	Sub-total		
	Institutions					Housing[1]				
	(Percentage distribution)									
1960	77.6	11.3	89.0	11.0	100.0	76.9	—	76.9	23.1	100.0
1961	77.1	11.7	88.8	11.2	100.0	75.6	—	75.6	24.4	100.0
1962	80.1	11.5	91.6	8.4	100.0	75.2	—	75.2	24.8	100.0
1963	79.9	12.2	92.1	7.9	100.0	75.2	—	75.2	24.8	100.0
1964	76.2	14.5	90.7	9.3	100.0	77.5	—	77.5	22.5	100.0
1965	79.3	13.3	92.5	7.5	100.0	78.2	—	78.2	21.8	100.0
1966	78.6	14.2	92.8	7.2	100.0	76.7	—	76.7	23.3	100.0
1967	77.5	14.6	92.1	7.9	100.0	76.9	—	76.9	23.1	100.0
1968	77.7	14.6	92.3	7.7	100.0	78.2	—	78.2	21.8	100.0
1969	76.8	14.2	91.0	9.0	100.0	80.0	—	80.0	20.0	100.0
1970	75.8	14.9	90.7	9.3	100.0	78.3	—	78.3	21.7	100.0
1971	75.6	14.9	90.4	9.6	100.0	80.9	—	80.9	19.1	100.0
1972	71.6	16.2	87.9	12.1	100.0	82.1	—	82.1	17.9	100.0
1973	69.4	17.3	86.7	13.3	100.0	83.4	—	83.4	16.6	100.0
1974	69.2	17.9	87.1	12.9	100.0	82.9	—	82.9	17.1	100.0
1975	69.7	17.2	86.9	13.1	100.0	81.9	—	81.9	18.1	100.0
1976	67.1	18.2	85.3	14.7	100.0	85.7	—	85.7	14.3	100.0
1977	64.6	18.3	82.9	17.1	100.0	84.3	—	84.3	15.7	100.0
1978	62.6	19.2	81.8	18.2	100.0	83.1	—	83.1	16.9	100.0
1979	64.5	17.6	82.1	17.9	100.0	81.4	—	81.4	18.6	100.0
1980	63.7	19.8	83.6	16.4	100.0	79.4	—	79.4	20.6	100.0
1981	61.9	20.2	82.1	17.9	100.0	80.3	—	80.3	19.7	100.0
1982	63.5	19.9	83.4	16.6	100.0	78.2	—	78.2	21.8	100.0
	Government departments					Total				
	(Percentage distribution)									
1960	70.7	6.2	76.9	23.1	100.0	49.1	24.7	73.8	26.2	100.0
1961	69.1	7.5	76.6	23.4	100.0	49.8	23.5	73.6	26.7	100.0
1962	68.7	7.8	76.4	23.6	100.0	48.9	24.7	73.4	26.6	100.0
1963	68.9	7.6	76.5	23.5	100.0	48.3	25.4	73.7	26.3	100.0
1964	70.0	8.4	78.4	21.6	100.0	48.1	27.0	75.1	24.9	100.0
1965	70.8	8.2	79.1	20.9	100.0	48.5	28.2	76.6	23.4	100.0
1966	69.5	9.1	78.5	21.5	100.0	47.7	29.8	77.6	22.4	100.0
1967	68.7	8.5	77.3	22.7	100.0	47.2	29.3	76.5	23.5	100.0
1968	66.8	9.2	76.0	24.0	100.0	48.4	27.1	75.5	24.5	100.0
1969	70.8	7.6	78.4	21.6	100.0	48.8	27.5	76.3	23.7	100.0
1970	71.6	7.2	78.8	21.2	100.0	48.2	27.6	75.9	24.1	100.0
1971	73.3	8.1	81.4	18.6	100.0	50.6	26.3	76.9	23.1	100.0
1972	74.6	8.7	83.2	16.8	100.0	50.3	26.9	77.2	22.8	100.0
1973	72.6	10.0	82.6	17.4	100.0	49.5	28.2	77.8	22.2	100.0
1974	73.2	10.8	84.0	16.0	100.0	49.4	28.8	78.2	21.8	100.0
1975	74.2	10.7	84.9	15.1	100.0	49.7	29.3	79.0	21.0	100.0
1976	73.9	10.1	84.0	16.0	100.0	50.8	28.0	78.7	21.3	100.0
1977	73.7	9.8	83.6	16.4	100.0	50.4	27.6	78.0	22.0	100.0
1978	73.4	10.2	83.5	16.5	100.0	49.1	28.4	77.4	22.6	100.0
1979	72.8	9.6	82.4	17.6	100.0	47.6	29.9	77.5	22.5	100.0
1980	70.8	10.4	81.2	18.8	100.0	46.7	30.3	77.0	23.0	100.0
1981	70.0	11.1	81.2	18.8	100.0	47.6	30.6	78.2	21.8	100.0
1982	69.8	11.1	80.9	19.1	100.0	47.7	30.2	77.9	22.1	100.0

Note: 1981 figures are actual, 1982 figures are preliminary actual.

[1] Totals differ from housing expenditures as shown in reference tables 3 to 6, in that the national income and expenditure totals include selling costs, principally real estate commissions.

Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada*.

Reference Table 20.
Private and Public Investment by Region
Capital Expenditures
1960 – 1982

Year	Newfoundland	Prince Edward Island	Nova Scotia	New Brunswick	Atlantic region	Quebec
D	836852	836856	836863	836870	836940	836877
			(Millions of dollars)			
1960	146	37	234	180	597	2,007
1961	184	38	224	171	617	2,008
1962	261	43	223	179	706	2,154
1963	236	43	234	189	702	2,301
1964	231	39	270	257	797	2,828
1965	228	57	318	334	937	3,206
1966	340	57	411	390	1,198	3,441
1967	360	46	463	378	1,246	3,203
1968	387	41	461	330	1,219	3,175
1969	395	44	552	392	1,383	3,376
1970	503	54	607	471	1,635	3,418
1971	676	73	628	497	1,876	4,150
1972	607	72	613	487	1,779	4,824
1973	634	124	825	636	2,219	5,826
1974	698	118	893	976	2,685	7,398
1975	714	118	922	1,159	2,913	9,170
1976	829	111	1,041	1,177	3,159	9,813
1977	712	130	1,040	1,155	3,038	10,702
1978	784	172	1,190	1,310	3,456	10,794
1979	1,035	201	1,323	1,652	4,211	11,854
1980	1,087	207	1,446	1,469	4,209	12,820
1981	1,151	174	1,941	1,514	4,781	14,045
1982	1,383	180	2,096	1,622	5,280	13,668

	Ontario	Manitoba	Saskatchewan	Alberta	Prairie region	British Columbia[1]
	836884	836891	836898	836905	836947	836912 + 836919
			(Millions of dollars)			
1960	2,856	487	474	946	1,907	895
1961	2,794	417	454	981	1,852	901
1962	3,054	424	513	937	1,874	927
1963	3,282	491	603	995	2,089	1,019
1964	3,747	528	648	1,100	2,276	1,296
1965	4,379	537	773	1,320	2,630	1,713
1966	5,289	651	921	1,553	3,124	2,037
1967	5,416	714	959	1,667	3,340	2,139
1968	5,579	820	943	1,723	3,486	1,996
1969	6,307	901	755	1,914	3,570	2,291
1970	6,928	871	603	1,957	3,431	2,386
1971	7,460	812	664	2,139	3,615	3,083
1972	8,237	970	824	2,383	4,177	3,201
1973	9,714	1,143	979	2,931	5,053	3,804
1974	11,816	1,379	1,262	3,831	6,472	4,511
1975	12,920	1,521	1,780	5,007	8,308	4,905
1976	13,948	1,812	2,180	7,002	10,995	5,722
1977	14,732	1,897	2,269	7,826	11,992	6,133
1978	15,561	2,018	2,393	9,431	13,842	6,706
1979	17,093	2,041	3,104	11,920	17,064	8,131
1980	19,106	2,024	3,324	14,210	19,559	10,499
1981	22,788	2,282	4,144	17,162	23,588	13,310
1982	23,373	2,134	4,207	18,429	24,770	13,486

Note: 1981 figures are actual, 1982 figures are preliminary actual.
(1) Includes the Yukon and the Northwest Territories.
Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada.*

Reference Table 21

Private Investment Capital Expenditures Excluding Housing by Region[1]

1965 – 1982

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia[2]
			(Millions of dollars)			
1965	8,052	521	1,909	2,692	1,780	1,148
1966	9,781	702	2,225	3,313	2,145	1,396
1967	9,709	742	1,970	3,257	2,303	1,436
1968	9,318	689	1,853	3,123	2,381	1,271
1969	10,067	841	1,846	3,619	2,323	1,458
1970	11,148	1,052	1,883	4,341	2,300	1,570
1971	12,010	1,185	2,141	4,377	2,282	2,024
1972	13,132	1,056	2,719	4,696	2,744	1,916
1973	16,127	1,262	3,421	5,622	3,466	2,356
1974	20,232	1,492	4,468	7,058	4,453	2,762
1975	24,594	1,597	5,880	8,363	5,775	2,978
1976	26,252	1,653	5,676	8,409	7,298	3,216
1977	28,505	1,681	6,320	8,969	7,905	3,610
1978	31,528	1,928	6,782	9,802	8,934	4,082
1979	38,960	2,538	7,797	11,412	11,770	5,444
1980	46,382	2,636	8,760	13,647	14,281	7,058
1981	55,370	3,151	9,497	16,440	17,596	8,686
1982	63,133	4,095	10,398	18,849	20,548	9,242
			(Per cent change)			
1965	20.4	11.8	15.3	21.2	18.3	36.7
1966	21.5	34.6	16.5	23.1	20.5	21.6
1967	−0.7	5.8	−11.5	−1.7	7.4	2.9
1968	−4.0	−7.2	−5.9	−4.1	3.4	−11.5
1969	8.3	22.1	−0.4	15.9	−2.4	14.7
1970	10.5	25.1	2.0	20.0	−1.0	7.7
1971	7.7	12.6	13.7	0.8	−0.8	28.9
1972	9.3	−10.9	27.0	7.3	20.2	−5.3
1973	22.8	19.5	25.8	19.7	26.3	22.9
1974	25.5	18.2	30.6	25.5	28.5	17.2
1975	21.6	7.1	31.6	18.5	29.7	7.8
1976	6.7	3.5	−3.5	0.5	26.4	8.0
1977	8.6	1.7	11.3	6.9	8.3	12.3
1978	10.6	14.7	7.3	9.0	13.0	13.1
1979	23.6	31.6	15.0	16.4	31.7	33.4
1980	19.0	3.9	12.3	19.6	21.3	29.6
1981	19.4	19.5	8.4	20.5	23.2	23.1
1982	14.0	30.0	9.5	14.7	16.8	6.4

Note: 1981 figures are actual, 1982 figures are preliminary actual.

(1) Total private and public expenditures minus housing, institutions and government departments.

(2) Includes the Yukon and the Northwest Territories.

Source: Statistics Canada and Department of Industry, Trade and Commerce, *Private and Public Investment in Canada.*

Reference Table 22

Dwelling Starts, Completions and Under Construction 1948 – 1982

Year	Starts			Completions			Under construction[1]	
	Centres of 5,000 population and over[2]	Other areas	Total	Centres of 5,000 population and over[2]	Other areas	Total	Centres of 5,000 population and over[2]	Total
	(Number of units)							
1948	57,888	32,306	90,194	48,006	28,091	76,097	39,217	56,456
1949	58,125	32,384	90,509	59,785	28,448	88,233	37,344	58,169
1950	68,599	23,932	92,531	62,847	26,168	89,015	41,510	60,538
1951	47,374	21,205	68,579	61,167	20,143	81,310	26,783	45,926
1952	63,443	19,803	83,246	54,346	18,741	73,087	36,998	55,689
1953	80,313	22,096	102,409	73,375	23,464	96,839	42,806	59,923
1954	89,755	23,772	113,527	80,593	21,372	101,965	51,302	68,641
1955	97,386	40,890	138,276	93,942	33,987	127,929	53,677	79,339
1956	87,309	40,002	127,311	95,152	40,548	135,700	44,386	68,579
1957	84,875	37,465	122,340	80,995	36,288	117,283	49,508	72,573
1958	121,695	42,937	164,632	107,839	38,847	146,686	63,080	88,162
1959	105,991	35,354	141,345	108,059	37,612	145,671	59,879	81,905
1960	76,687	32,171	108,858	90,513	33,244	123,757	44,975	65,773
1961	92,741	32,836	125,577	83,148	32,460	115,608	53,195	73,583
1962	102,008	28,087	130,095	98,530	28,152	126,682	59,387	76,153
1963	118,512	36,112	148,624	99,133	29,058	128,191	77,929	96,613
1964	133,562	30,096	165,658	121,378	29,585	150,963	88,493	107,718
1965	135,218	31,347	166,565	122,197	30,840	153,037	99,815	119,854
1966	108,329	26,145	134,474	134,569	27,623	162,192	71,477	88,621
1967	131,858	32,265	164,123	120,163	29,079	149,242	82,616	102,716
1968	162,267	34,611	196,878	136,337	34,656	170,993	106,834	126,638
1969	169,739	40,676	210,415	159,089	36,737	195,826	114,386	137,357
1970	150,999	39,529	190,528	138,576	37,251	175,827	123,901	148,185
1971	180,948	52,705	233,653	155,892	45,340	201,232	145,885	177,257
1972	206,954	42,960	249,914	192,984	39,243	232,227	163,318	188,630
1973	211,543	56,986	268,529	197,513	49,068	246,581	174,852	207,236
1974	169,437	52,686	222,123	202,989	54,254	257,243	138,360	168,406
1975	181,846	49,610	231,456	170,325	46,639	216,964	146,517	176,599
1976	209,762	63,441	273,203	180,765	55,484	236,249	168,282	204,286
1977	200,201	45,523	245,724	206,217	45,572	251,789	158,216	185,599
1978	178,678	48,989	227,667	198,777	47,756	246,533	135,239	164,702
1979	151,717	45,332	197,049	178,604	47,885	226,489	103,414	128,601
1980	125,013	33,588	158,601	140,996	35,172	176,168	84,195	105,780
1981	142,441	35,532	177,973	137,955	37,041	174,996	85,515	102,829
1982	104,792	21,068	125,860	112,251	21,691	133,942	74,685	89,055

Note: Data for 1962 to 1965 are based on 1961 Census area definitions, for 1966 to 1971 on 1966 Census area definitions, for 1972 to 1976 on 1971 Census area definitions. Subsequent data are based on 1976 Census area definitions.

(1) At end of period.

(2) Data for years after 1967 based on areas of 10,000 population and over.

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*.

Reference Table 23

Dwelling Starts and Completions, by Type

1949 – 1982

Year	Starts					Completions				
	Single detached	Semi-detached and duplex	Row	Apartments	Total	Single detached	Semi-detached and duplex	Row	Apartments	Total
	(Number of units)									
1949	71,425	7,536	0	11,548	90,509	68,966	7,309	485	11,473	88,233
1950	68,675	8,664	631	14,561	92,531	68,685	7,376	145	12,809	89,015
1951	53,002	5,658	54	9,865	68,579	60,366	7,568	585	12,791	81,310
1952	60,696	5,360	299	16,891	83,246	55,967	5,314	99	11,707	73,087
1953	70,782	7,202	553	23,872	102,409	66,916	7,714	372	19,837	96,839
1954	78,574	6,498	1,000	27,455	113,527	71,760	6,098	1,065	23,042	101,965
1955	99,003	10,606	1,909	26,758	138,276	90,553	8,278	1,547	27,551	127,929
1956	90,620	9,441	2,263	24,987	127,311	95,656	11,872	2,137	26,035	135,700
1957	82,955	9,272	2,214	27,899	122,340	81,096	8,464	2,350	25,373	117,283
1958	104,508	10,713	2,457	46,954	164,632	96,830	10,004	2,226	37,626	146,686
1959	92,178	10,468	1,908	36,791	141,345	95,455	10,923	2,308	36,985	145,671
1960	67,171	9,699	2,301	29,687	108,858	78,113	9,911	1,616	34,117	123,757
1961	76,430	11,650	1,864	35,633	125,577	76,171	10,593	2,019	26,825	115,608
1962	74,443	10,975	3,742	40,935	130,095	75,593	11,922	2,451	36,716	126,682
1963	77,158	7,891	3,895	59,680	148,624	71,585	7,150	3,487	45,969	128,191
1964	77,079	8,706	4,755	75,118	165,658	76,225	8,091	3,861	62,786	150,963
1965	75,441	7,924	5,306	77,894	166,565	75,104	8,730	4,097	65,106	153,037
1966	70,642	7,281	5,000	51,551	134,474	73,858	7,707	6,412	74,215	162,192
1967	72,534	9,939	7,392	74,258	164,123	73,631	9,089	5,431	61,091	149,242
1968	75,339	10,114	8,042	103,383	196,878	74,640	10,098	7,896	78,359	170,993
1969	78,404	10,373	10,721	110,917	210,415	78,584	10,483	7,827	98,932	195,826
1970	70,749	10,826	17,055	91,898	190,528	66,615	9,066	11,473	88,673	175,827
1971	98,056	13,751	15,659	106,187	233,653	82,978	12,518	16,795	88,941	201,232
1972	115,570	13,649	16,980	103,715	249,914	106,508	13,184	14,416	98,119	232,227
1973	131,552	13,235	17,291	106,451	268,529	122,696	13,479	14,832	95,574	246,581
1974	122,143	11,023	14,932	74,025	222,123	129,704	12,509	19,225	95,805	257,243
1975	123,929	15,403	21,763	70,361	231,456	113,409	12,303	16,095	75,157	216,964
1976	134,313	15,890	33,676	89,324	273,203	128,623	15,160	21,172	71,294	236,249
1977	108,403	18,373	26,621	92,327	245,724	117,792	17,281	31,561	85,155	251,789
1978	110,029	19,932	20,379	77,327	227,667	106,195	19,155	26,644	94,539	246,533
1979	109,117	16,296	13,249	58,387	197,049	112,105	18,071	18,860	77,453	226,489
1980	87,721	11,149	11,402	48,329	158,601	90,720	13,675	13,398	58,375	176,168
1981	89,071	11,768	15,525	61,609	177,973	98,412	12,831	13,252	50,501	174,996
1982	54,457	6,254	11,987	53,162	125,860	54,720	8,480	16,082	54,660	133,942

Note: See *Note* to Table 22.

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics;* Canada Mortgage and Housing Corporation, *Housing in Canada.*

Reference Table 24

Manufacturers' Inventories, Shipments and Orders 1961 – 1982

Year	Manufacturing					Durable manufacturing			Non-durable manufacturing		
	Shipments	New orders received	Unfilled orders	Total inventories held	Stock to sales ratio[1]	Shipments	New orders received	Unfilled orders	Shipments	New orders received	Unfilled orders
	310000	310080	310106	310152		310022	310082	310128	310021	310081	310127
D	310030	310083	310129	310175		310052	310105	310151	310051	310104	310150
	(Millions of dollars)										
1961	1,953	1,968	1,960	4,529	2.32	769	726	1,526	1,184	1,193	434
1962	2,149	2,158	2,177	4,867	2.26	883	894	1,747	1,267	1,264	430
1963	2,335	2,344	2,199	5,085	2.18	988	995	1,784	1,347	1,350	415
1964	2,571	2,601	2,497	5,436	2.11	1,121	1,151	2,069	1,451	1,450	428
1965	2,824	2,867	2,950	5,952	2.11	1,281	1,318	2,491	1,543	1,549	459
1966	3,109	3,181	3,656	6,738	2.17	1,421	1,489	3,141	1,687	1,692	515
1967	3,246	3,241	4,025	7,408	2.28	1,478	1,475	3,513	1,768	1,766	512
1968	3,505	3,508	3,961	7,446	2.12	1,633	1,628	3,384	1,872	1,880	577
1969	3,828	3,885	4,345	8,064	2.11	1,811	1,865	3,705	2,018	2,020	640
1970	3,865	3,849	4,722	8,611	2.23	1,785	1,767	3,860	2,080	2,082	863
1971	4,189	4,215	4,834	8,643	2.06	1,977	1,997	3,954	2,213	2,218	880
1972	4,687	4,736	5,049	9,197	1.97	2,222	2,265	4,097	2,465	2,471	952
1973	5,563	5,793	6,707	10,420	1.88	2,638	2,848	5,567	2,925	2,945	1,140
1974	6,871	7,125	10,063	13,674	1.99	3,136	3,386	8,699	3,735	3,739	1,363
1975	7,372	7,297	10,818	16,350	2.22	3,346	3,284	9,594	4,025	4,013	1,224
1976	8,190	8,117	10,043	17,420	2.13	3,749	3,667	8,807	4,442	4,450	1,236
1977	9,083	9,212	10,741	18,943	2.09	4,169	4,284	9,381	4,914	4,927	1,360
1978	10,775	11,035	12,760	20,882	1.94	5,012	5,238	11,043	5,763	5,798	1,717
1979	12,707	12,965	16,441	24,728	1.95	5,869	6,111	14,383	6,838	6,854	2,058
1980	14,034	14,173	18,924	29,410	2.10	6,239	6,349	16,705	7,795	7,823	2,219
1981	15,776	15,785	19,875	33,391	2.12	6,859	6,875	17,492	8,917	8,910	2,382
1982	15,250	15,040	17,905	34,842	2.28	6,342	6,149	15,674	8,908	8,891	2,231

[1] Ratio of total inventories held to shipments.

Source: Statistics Canada, *Inventories, Shipments and Orders in Manufacturing Industries*, monthly, cat. 31-001.

Reference Table 25

Gross Domestic Product in Constant (1971) Dollars by Industry 1971 – 1982

Year	Gross domestic product	Agriculture	Gross domestic product less agriculture	Mines quarries and oil wells	Manufacturing			Construction	Electric power gas and water utilities	Transportation storage and communication	Trade			Finance insurance and real estate	Community business and personal services	Public administration and defence	Commercial industries	Commercial industries less agriculture	Goods producing industries	Service producing industries	Non-commercial industries	Industrial production
					Total	Non-durable	Durable				Total	Wholesale	Retail									
D	141940	141941	142098	141944	141955	142106	142105	142037	142049	142038	142052	142053	142055	142069	142076	142092	142102	142103	142100	142101	142104	142099
	(Millions of dollars)																					
1971	83,260	2,697	80,565	3,146	19,041	9,396	9,645	5,846	2,194	10,086	9,806	4,103	5,703	9,589	16,081	6,152	68,006	65,310	33,740	49,520	15,255	24,381
1972	88,143	2,390	85,753	3,286	20,516	10,157	10,359	6,021	2,438	10,944	10,774	4,491	6,283	10,100	16,848	6,414	72,504	70,114	35,500	52,643	15,639	26,240
1973	95,028	2,612	92,416	3,706	22,674	10,881	11,793	6,202	2,640	11,887	11,751	4,927	6,824	10,929	17,606	6,750	78,889	76,277	38,745	56,263	16,140	29,021
1974	99,347	2,413	96,935	3,587	23,497	11,110	12,387	6,446	2,853	12,607	12,700	5,340	7,360	11,593	18,614	7,006	82,771	80,359	39,680	59,667	16,576	29,937
1975	100,283	2,776	97,507	3,175	22,123	10,487	11,636	6,780	2,863	12,757	12,993	5,366	7,627	12,071	19,481	7,346	83,107	80,331	38,498	61,785	17,175	28,161
1976	105,249	2,948	102,302	3,244	23,432	11,220	12,212	6,992	3,116	13,536	13,531	5,469	8,062	12,683	20,470	7,565	87,664	84,717	40,581	64,668	17,585	29,792
1977	108,341	3,070	105,271	3,337	23,902	11,387	12,514	6,856	3,311	14,284	13,710	5,548	8,163	13,445	21,096	7,736	90,443	87,373	41,380	66,961	17,898	30,550
1978	111,958	2,997	108,961	3,065	25,140	12,012	13,128	6,706	3,522	14,984	14,206	5,821	8,385	14,120	21,838	7,926	93,608	90,611	42,354	69,604	18,150	31,677
1979	116,145	2,698	113,447	3,383	26,632	12,636	13,995	6,888	3,685	16,079	14,686	6,093	8,593	14,555	22,460	7,884	97,006	95,300	44,166	71,980	18,139	33,600
1980	117,065	2,909	114,156	3,401	25,840	12,555	13,291	6,859	3,784	16,540	14,721	6,142	8,579	15,041	22,771	7,986	98,763	95,854	43,789	73,275	18,302	33,031
1981	120,551	3,260	117,280	3,223	26,378	12,739	13,640	7,344	3,978	17,145	14,763	6,104	8,659	15,624	23,718	8,145	100,816	98,556	45,133	75,417	18,734	33,579
1982	114,567	3,348	111,219	2,832	23,139	11,624	11,516	6,738	3,988	16,622	13,472	5,246	8,226	15,643	23,539	8,405	95,484	92,136	40,874	73,692	19,083	29,960
	(Per cent change)																					
1972	5.9	−11.3	6.4	4.4	7.7	8.1	7.4	3.0	11.1	8.5	9.9	9.5	10.2	5.3	4.8	4.2	6.6	7.4	5.2	6.3	2.5	7.6
1973	7.8	9.3	7.8	12.8	10.5	7.1	13.8	3.0	8.3	8.6	9.1	9.7	8.6	8.2	4.5	5.2	8.8	8.8	9.1	6.9	3.2	10.6
1974	4.5	−7.6	4.9	−3.2	3.6	2.1	5.0	3.9	8.1	6.1	8.1	8.4	7.8	6.1	5.7	3.8	4.9	5.4	2.4	6.0	2.7	3.2
1975	0.9	15.1	0.6	−11.5	−5.9	−5.6	−6.1	5.2	0.3	1.2	2.3	0.5	3.6	4.1	4.7	4.8	0.4	0.0	−3.0	3.5	3.6	−5.9
1976	5.0	6.2	4.9	2.2	5.9	7.0	5.0	3.1	8.8	6.1	4.1	1.9	5.7	5.1	5.1	3.0	5.5	5.5	5.4	4.7	2.4	5.8
1977	2.9	4.1	2.9	2.9	2.0	1.5	2.5	−1.9	6.3	5.5	1.3	1.4	1.2	6.0	3.1	2.3	3.2	3.1	2.0	3.5	1.8	2.5
1978	3.3	−2.4	3.5	−9.7	5.2	5.5	4.9	−2.2	6.4	4.9	3.6	4.9	2.7	5.0	3.8	2.5	3.7	3.9	2.4	3.9	1.4	3.7
1979	3.7	−9.9	4.1	8.9	5.9	5.2	6.6	2.7	4.6	7.3	3.4	4.7	2.5	3.1	2.6	−0.5	4.5	5.0	4.3	3.4	0.1	6.1
1980	0.8	7.8	0.6	3.6	−2.9	−0.6	5.0	−0.4	2.7	2.9	0.2	0.8	−0.2	3.3	1.4	1.3	0.8	0.6	−0.9	1.8	0.9	−1.7
1981	3.0	12.1	2.7	−5.2	2.1	1.5	2.6	7.1	5.1	3.7	0.3	−0.6	0.9	3.9	4.2	2.0	−3.1	2.8	3.1	2.9	2.4	1.7
1982	−5.0	2.7	−5.2	−12.1	−12.3	−8.8	−15.6	−8.3	0.3	−3.0	−8.7	−14.1	−5.0	0.1	−0.8	3.2	−6.2	−6.5	−9.4	−2.3	1.9	−10.8

Source: Statistics Canada, *Indexes of Real Gross Domestic Product by Industry*, monthly and annual, cat. 61-213.

Reference Table 26
Main Components of the Labour Market[1]
1966 – 1982[2]

Year	Population 15 years and over	Labour force			Employment			Unemployment	Total immigration	Immigrants destined to the labour force
		Total	Male	Female	Total	Male	Female			
D	767284 —	767285 767606	767417 767681	767549 767748	767286 767608	767418 767683	767550 767750	767287 767609	55	66
	(Thousands of persons)									
1966	13,083	7,493	5,147	2,346	7,242	4,975	2,267	251	195	99
1967	13,444	7,747	5,261	2,485	7,451	5,058	2,393	296	223	120
1968	13,805	7,951	5,354	2,597	7,593	5,110	2,483	358	184	95
1969	14,162	8,194	5,465	2,728	7,832	5,230	2,601	362	162	84
1970	14,528	8,395	5,571	2,824	7,919	5,260	2,660	476	148	78
1971	14,872	8,639	5,667	2,972	8,104	5,329	2,775	535	122	61
1972	15,186	8,897	5,797	3,101	8,344	5,460	2,885	553	122	59
1973	15,526	9,276	5,973	3,303	8,761	5,678	3,083	515	184	92
1974	15,924	9,639	6,163	3,477	9,125	5,870	3,255	514	218	106
1975	16,323	9,974	6,294	3,680	9,284	5,903	3,381	690	188	81
1976	16,706	10,206	6,369	3,837	9,479	5,965	3,515	727	149	61
1977	17,057	10,498	6,505	3,994	9,648	6,031	3,617	850	115	48
1978	17,382	10,882	6,650	4,232	9,972	6,148	3,824	911	86	35
1979	17,691	11,207	6,799	4,408	10,369	6,347	4,022	838	112	48
1980	18,005	11,522	6,909	4,613	10,655	6,430	4,225	867	143	64
1981	18,295	11,830	7,019	4,811	10,933	6,522	4,411	898	128	57
1982	18,573	11,879	6,994	4,884	10,574	6,220	4,354	1,305	—	n.a.
	(Percentage change)							(Change)		
1967	2.8	3.4	2.2	5.9	2.9	1.7	5.6	45	28	20
1968	2.7	2.6	1.8	4.5	1.9	1.0	3.8	62	−39	−24
1969	2.6	3.1	2.1	5.0	3.1	2.3	4.8	4	−22	−11
1970	2.6	2.5	1.9	3.5	1.1	0.6	2.3	114	−14	−7
1971	2.4	2.9	1.7	5.2	2.3	1.3	4.3	59	−26	−16
1972	2.1	3.0	2.3	4.3	3.0	2.5	4.0	18	0	−2
1973	2.2	4.3	3.0	6.5	5.0	4.0	6.9	−38	62	33
1974	2.6	3.9	3.2	5.2	4.2	3.4	5.6	−1	34	14
1975	2.5	3.5	2.1	5.9	1.7	0.6	3.9	175	−31	−25
1976	2.3	2.3	1.2	4.3	2.1	1.0	4.0	37	−38	−20
1977	2.1	2.9	2.1	4.1	1.8	1.1	2.9	124	−35	−14
1978	1.9	3.7	2.2	6.0	3.4	1.9	5.7	60	−29	−12
1979	1.8	3.0	2.2	4.2	4.0	3.2	5.2	−72	26	13
1980	1.8	2.8	1.6	4.6	2.8	1.3	5.0	28	31	16
1981	1.6	2.7	1.6	4.3	2.6	1.4	4.4	31	−15	−7
1982	1.5	0.4	−0.4	1.5	−3.3	−4.6	−1.3	407	—	n.a.

[1] Small differences in totals may arise due to rounding.

[2] Labour Force Survey data were first collected under the revised Labour Force Survey in January, 1975. In January, 1976, the Revised Survey replaced the former Survey. Revised data have been estimated back to 1966. The former Labour Force Survey data (1954-1975) may be found in the 1976 edition of this *Review*.

Source: Statistics Canada. *The Labour Force*, annual, cat. 71-001, and *Historical Labour Force Statistics*, annual, cat. 71-201; Department of Employment and Immigration, *Immigration Statistics. Quarterly Immigration Bulletin.*

Reference Table 27

Participation and Unemployment Rates by Sex and Age Groups 1966 – 1982[1]

Year	Participation rates						
	Male			Female			
	Total	15-24	25+	Total	15-24	25+	Total
D	767420 767685	767430 767697	767389 767656	767552 767752	767562 767763	767521 767730	767288 767610
	(Per cent)						
1966	79.8	64.1	84.9	35.4	48.4	31.2	57.3
1967	79.3	64.1	84.5	36.5	49.1	32.3	57.6
1968	78.6	63.3	84.0	37.1	49.8	32.8	57.6
1969	78.3	62.7	83.8	38.0	50.2	33.8	57.9
1970	77.8	62.5	83.3	38.3	49.5	34.5	57.8
1971	77.3	62.7	82.7	39.4	50.8	35.4	58.1
1972	77.5	64.4	82.3	40.2	51.8	36.2	58.6
1973	78.2	66.8	82.3	41.9	54.2	37.6	59.7
1974	78.7	68.9	82.2	43.0	56.0	38.5	60.5
1975	78.4	68.8	81.9	44.4	56.8	40.0	61.1
1976	77.6	67.9	81.1	45.2	56.8	41.1	61.1
1977	77.6	68.8	80.9	46.0	57.5	42.1	61.5
1978	77.9	69.7	81.0	47.8	58.9	44.0	62.6
1979	78.4	71.4	80.9	48.9	61.0	44.9	63.3
1980	78.3	72.0	80.5	50.3	62.6	46.2	64.0
1981	78.3	72.5	80.3	51.6	63.2	47.9	64.7
1982	76.9	69.5	79.3	51.6	62.3	48.3	64.0
	Unemployment rates						
	Male			Female			
	Total	15-24	25+	Total	15-24	25+	Total
	767421 767686	767431 767698	767390 767657	767553 767753	767563 767764	767522 767731	767289 767611
	(Per cent)						
1966	3.3	6.3	2.6	3.4	4.8	2.7	3.4
1967	3.9	7.2	3.0	3.7	5.5	2.8	3.8
1968	4.6	8.7	3.5	4.4	6.5	3.3	4.5
1969	4.3	8.3	3.2	4.7	6.5	3.7	4.4
1970	5.6	11.2	4.1	5.8	8.6	4.4	5.7
1971	6.0	12.0	4.3	6.6	9.8	5.0	6.2
1972	5.8	11.9	4.1	7.0	9.6	5.7	6.2
1973	4.9	10.0	3.4	6.7	9.2	5.4	5.5
1974	4.8	9.6	3.3	6.4	8.9	5.1	5.3
1975	6.2	12.5	4.3	8.1	11.4	6.5	6.9
1976	6.4	13.3	4.2	8.4	12.1	6.6	7.1
1977	7.3	14.9	4.9	9.4	13.8	7.4	8.1
1978	7.6	15.1	5.2	9.6	13.9	7.7	8.4
1979	6.6	13.3	4.5	8.8	12.7	7.0	7.5
1980	6.9	13.8	4.8	8.4	12.7	6.5	7.5
1981	7.1	14.2	4.9	8.3	12.3	6.7	7.6
1982	11.1	21.1	8.1	10.8	16.1	8.8	11.0

[1] See note 2 on reference table 26.

Source: Statistics Canada, *The Labour Force* and *Historical Labour Force Statistics.*

Reference Table 28

Participation Rates, Canada and by Region

1966 – 1982[1]

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767860		769841	769904		769922
			(Labour force as a percentage of population 15 years and over)			
1966	57.3	50.4	56.0	59.8	58.3	56.7
1967	57.6	50.4	56.4	60.2	58.3	57.5
1968	57.6	50.0	55.6	60.3	59.5	57.6
1969	57.9	49.9	55.9	60.5	59.7	58.2
1970	57.8	49.3	55.4	60.5	60.0	58.7
1971	58.1	49.8	56.0	60.9	60.0	58.3
1972	58.6	50.5	55.9	61.7	60.8	58.8
1973	59.7	52.3	57.6	62.4	61.8	59.6
1974	60.5	53.4	58.0	63.4	62.6	60.3
1975	61.1	53.5	58.5	64.1	63.0	61.1
1976	61.1	53.4	58.3	63.9	63.8	61.3
1977	61.5	53.7	58.9	64.3	64.3	61.5
1978	62.6	54.9	59.7	65.5	65.3	62.6
1979	63.3	55.5	60.1	66.6	66.3	62.7
1980	64.0	56.2	61.0	66.8	67.1	63.7
1981	64.7	56.3	61.2	67.7	68.1	64.7
1982	64.0	55.8	59.7	67.4	67.8	63.8

[1] See note 2 on reference table 26.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 29

Labour Force, Canada and by Region 1966 – 1982[1]

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767870		769838	769901		769919						
	(Thousands of persons)						(Per cent change)					
1966	7,493	615	2,113	2,787	1,262	716	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1967	7,747	626	2,184	2,891	1,286	759	3.4	1.8	3.4	3.8	1.9	6.0
1968	7,951	635	2,205	2,980	1,342	789	2.6	1.5	0.9	3.1	4.3	4.0
1969	8,194	647	2,264	3,077	1,376	830	3.1	1.9	2.7	3.3	2.6	5.2
1970	8,395	652	2,288	3,177	1,407	871	2.5	0.7	1.1	3.2	2.2	5.0
1971	8,639	673	2,347	3,290	1,429	899	2.9	3.3	2.6	3.6	1.6	3.2
1972	8,897	696	2,383	3,410	1,471	938	3.0	3.4	1.5	3.6	2.9	4.3
1973	9,276	736	2,499	3,532	1,522	987	4.3	5.8	4.9	3.6	3.5	5.2
1974	9,639	767	2,570	3,686	1,576	1,040	3.9	4.1	2.8	4.4	3.6	5.4
1975	9,974	787	2,647	3,818	1,635	1,087	3.5	2.6	3.0	3.6	3.7	4.5
1976	10,206	805	2,689	3,885	1,712	1,116	2.3	2.3	1.6	1.7	4.7	2.6
1977	10,498	829	2,756	3,994	1,775	1,144	2.9	2.9	2.5	2.8	3.7	2.5
1978	10,882	864	2,827	4,147	1,852	1,192	3.7	4.2	2.6	3.8	4.3	4.2
1979	11,207	892	2,878	4,289	1,926	1,223	3.0	3.2	1.8	3.4	4.0	2.6
1980	11,522	919	2,959	4,366	2,000	1,278	2.8	3.1	2.8	1.8	3.8	4.5
1981	11,830	935	2,996	4,481	2,082	1,337	2.7	1.7	1.3	2.6	4.1	4.7
1982	11,879	938	2,947	4,519	2,128	1,346	0.4	0.3	– 1.6	0.8	2.2	0.7

[1] See note 2 on reference table 26.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 30
Employment, Canada and by Region
1966 – 1982[1]

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767888		769839	769902		769920						
	(Thousands of persons)						(Per cent change)					
1966	7,242	583	2,027	2,714	1,233	684	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1967	7,451	593	2,085	2,799	1,254	720	2.9	1.5	2.8	3.1	1.7	5.3
1968	7,593	598	2,081	2,873	1,299	742	1.9	0.9	−0.2	2.6	3.5	3.1
1969	7,832	607	2,126	2,979	1,331	788	3.1	1.5	2.2	3.7	2.5	6.2
1970	7,919	612	2,128	3,037	1,337	805	1.1	0.8	0.1	2.0	0.4	2.1
1971	8,104	626	2,175	3,113	1,356	834	2.3	2.3	2.2	2.5	1.4	3.7
1972	8,344	642	2,205	3,239	1,394	865	3.0	2.5	1.4	4.1	2.8	3.7
1973	8,761	679	2,330	3,380	1,451	920	5.0	5.9	5.7	4.4	4.1	6.4
1974	9,125	702	2,401	3,523	1,523	976	4.2	3.3	3.0	4.2	5.0	6.0
1975	9,284	710	2,434	3,576	1,571	995	1.7	1.1	1.4	1.5	3.1	1.9
1976	9,479	718	2,456	3,645	1,641	1,020	2.1	1.1	0.9	1.9	4.5	2.5
1977	9,648	725	2,473	3,714	1,690	1,047	1.8	1.0	0.7	1.9	3.0	2.7
1978	9,972	756	2,520	3,847	1,756	1,093	3.4	4.3	1.9	3.6	3.9	4.4
1979	10,369	786	2,602	4,008	1,843	1,129	4.0	4.1	3.3	4.2	4.9	3.3
1980	10,655	817	2,667	4,066	1,914	1,191	2.8	3.8	2.5	1.4	3.9	5.5
1981	10,933	826	2,685	4,186	1,988	1,247	2.6	1.2	0.7	2.9	3.9	4.7
1982	10,574	803	2,540	4,078	1,970	1,183	−3.3	−2.8	−5.4	−2.6	−0.9	−5.1

[1] See note 2 on reference table 26.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 31

Estimates of Employees by Industry

1961 – 1982

Year	Non-agricultural total	Mines, quarries and oil wells	Manufacturing	Construction	Transportation, storage and communications	Trade	Finance, insurance and real estate	Community business and personal services	Public administration and defence
					(Thousands)				
1961	4,719	108	1,306	282	581	758	196	1,079	333
1962	4,924	109	1,368	301	583	791	207	1,143	341
1963	5,097	107	1,416	306	592	821	220	1,209	345
1964	5,345	108	1,486	332	604	854	231	1,292	355
1965	5,626	115	1,554	367	622	898	240	1,384	364
1966	5,922	117	1,637	392	641	944	248	1,482	379
1967	6,101	119	1,641	376	659	968	265	1,589	401
1968	6,235	121	1,638	372	646	1,002	282	1,684	415
1969	6,490	120	1,678	379	661	1,057	299	1,800	424
1970	6,592	129	1,648	366	667	1,081	305	1,878	447
1971	6,744	126	1,640	391	685	1,114	316	1,929	475
1972	7,009	123	1,680	404	699	1,186	343	2,009	501
1973	7,397	127	1,775	428	719	1,262	373	2,104	536
1974	7,769	132	1,838	446	764	1,347	405	2,205	558
1975	7,874	131	1,755	451	764	1,381	423	2,310	592
1976	8,006	136	1,773	455	779	1,401	434	2,358	606
1977	8,224	142	1,775	467	795	1,413	472	2,469	621
1978	8,391	140	1,803	436	803	1,467	488	2,545	633
1979	8,691	151	1,874	466	819	1,515	502	2,656	625
1980	8,877	170	1,851	456	843	1,555	517	2,766	636
1981	9,188	178	1,884	475	850	1,629	533	2,933	628
1982	8,900	156	1,711	413	828	1,577	535	2,986	646
					(Per cent change)				
1962	4.3	1.3	4.8	6.1	0.5	4.4	5.7	6.0	2.5
1963	3.5	– 1.8	3.6	2.7	1.4	3.8	6.0	5.8	1.2
1964	4.8	1.1	4.9	7.9	2.1	4.0	5.4	6.8	2.5
1965	5.3	6.3	4.6	10.4	2.8	5.2	3.8	7.0	2.6
1966	5.2	2.2	5.3	6.8	2.9	5.0	3.4	7.1	4.0
1967	3.0	1.4	0.2	– 3.9	2.7	2.6	6.7	7.3	5.9
1968	2.1	1.7	– 0.2	– 1.0	– 1.9	3.5	6.5	5.9	3.4
1969	4.0	– 1.8	2.4	1.7	2.2	5.5	5.9	6.9	2.1
1970	1.6	7.4	– 1.8	– 3.3	1.0	2.2	2.1	4.3	5.5
1971	2.3	– 1.4	– 0.5	6.4	2.6	3.1	3.5	2.7	6.3
1972	3.9	– 2.2	2.5	3.6	2.0	6.4	8.4	4.2	5.4
1973	5.5	3.0	5.6	6.0	2.9	6.5	8.9	4.7	7.0
1974	5.0	4.0	3.5	4.2	6.2	6.7	8.6	4.8	4.3
1975	1.3	– 0.4	– 4.5	1.1	0.0	2.5	4.4	4.8	6.1
1976	1.7	3.8	1.0	1.0	2.0	1.5	2.7	2.1	2.4
1977	2.7	3.8	0.1	2.4	2.0	0.9	8.7	4.7	2.4
1978	2.0	– 1.4	1.6	– 6.5	1.0	3.8	3.4	3.0	2.0
1979	3.6	8.0	3.9	6.8	2.1	3.3	2.9	4.4	– 1.2
1980	2.1	12.8	– 1.2	– 2.1	2.8	2.6	2.9	4.1	1.7
1981	3.5	4.6	1.8	4.3	0.8	4.7	3.1	6.0	– 1.1
1982	– 3.1	– 12.4	– 9.2	– 13.1	– 2.6	– 3.2	0.4	1.2	2.9

Source: Statistics Canada, *Estimates of Employees by Province and Industry*, cat. 72-008.

Reference Table 32
Unemployment, Canada and by Region
1966 – 1982[1]

Year	Unemployed						Unemployment rate					
	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	767891		769840	769903		769921	767863		769842	769905		769923
	(Thousands of persons)						(Per cent)					
1966	251	33	86	72	30	33	3.4	5.4	4.1	2.6	2.4	4.6
1967	296	33	100	92	30	39	3.8	5.3	4.6	3.2	2.5	5.1
1968	358	38	124	107	43	47	4.5	6.0	5.6	3.6	3.2	5.9
1969	362	40	137	99	45	42	4.4	6.2	6.1	3.2	3.3	5.0
1970	476	40	160	139	70	67	5.7	6.2	7.0	4.4	4.9	7.7
1971	535	46	171	178	74	65	6.2	7.0	7.3	5.4	5.2	7.2
1972	553	54	178	171	78	73	6.2	7.7	7.5	5.0	5.3	7.8
1973	515	57	169	152	71	66	5.5	7.8	6.8	4.3	4.7	6.7
1974	514	65	169	164	53	64	5.3	8.4	6.6	4.4	3.4	6.2
1975	690	77	214	242	65	92	6.9	9.8	8.1	6.3	3.9	8.5
1976	727	88	233	240	71	96	7.1	10.9	8.7	6.2	4.1	8.6
1977	850	104	284	280	86	97	8.1	12.6	10.3	7.0	4.9	8.5
1978	911	106	307	300	96	98	8.4	12.5	10.9	7.2	5.2	8.3
1979	838	105	277	280	83	94	7.5	11.8	9.6	6.5	4.3	7.7
1980	867	103	292	300	86	87	7.5	11.2	9.9	6.9	4.3	6.8
1981	898	109	311	295	93	90	7.6	11.7	10.4	6.6	4.5	6.7
1982	1,305	135	407	441	158	163	11.0	14.4	13.8	9.8	7.4	12.1

[1] See note 2 on reference table 26.

Source: Statistics Canada, *The Labour Force*, and *Historical Labour Force Statistics*.

Reference Table 33

Unemployed Persons by Family Status, Canada 1961 – 1982[1]

Year	Total unemployed	Members of family units: Total	Heads of units	Single child	Other relatives[3]	Spouses	Non-members of family units	Total unemployed	Members of family units: Total	Heads of units	Single child	Other relatives[3]	Spouses	Non-members of family units
D	767287	773576	773577	773579	773580	773578	773581							
	(Thousands of persons, annual averages)							(Change)						
Former Labour Force Survey														
1961	497	454	230	168	56	n.a.	43							
1962	405	371	187	138	45	n.a.	35	−92	−83	−43	−30	−11	n.a.	−8
1963	390	357	174	132	51	n.a.	34	−15	−14	−13	−6	6	n.a.	−1
1964	348	319	148	123	47	n.a.	30	−42	−38	−26	−9	−4	n.a.	−4
1965	298	273	127	105	41	n.a.	25	−50	−46	−21	−18	−6	n.a.	−5
1966[2]	251	252	113	101	37	n.a.	23	n.a.	−21	−14	−4	−4	n.a.	−2
1967	296	294	134	114	46	n.a.	27	45	42	21	13	9	n.a.	4
1968	358	354	155	144	55	n.a.	36	62	60	21	30	9	n.a.	9
1969	362	359	146	150	63	n.a.	32	4	5	−9	6	8	n.a.	−4
1970	476	444	183	190	72	n.a.	47	114	85	37	40	9	n.a.	15
1971	535	516	212	213	91	n.a.	56	59	72	29	23	19	n.a.	9
1972	552	509	202	215	93	n.a.	61	17	−7	−10	2	2	n.a.	5
1973	515	453	169	190	95	n.a.	67	−37	−56	−33	−25	3	n.a.	6
1974	514	462	171	197	93	n.a.	64	−1	9	2	7	−2	n.a.	−3
1975	690	624	241	252	131	n.a.	87	176	162	70	55	38	n.a.	23
Revised Labour Force Survey														
1975	690	609	194	221	26	167	80	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1976	727	640	190	240	33	177	87	37	31	−4	19	5	10	7
1977	850	752	224	280	41	207	99	123	112	34	40	8	30	12
1978	911	800	247	289	41	223	110	61	48	23	9	0	16	11
1979	838	743	223	278	38	204	96	−73	−57	−24	−11	−3	−19	−14
1980	867	763	237	287	39	200	103	29	20	14	9	−1	−4	7
1981	898	789	242	294	40	213	109	31	26	4	7	1	13	6
1982	1,305	1,146	405	399	61	281	158	407	357	163	105	21	68	49

[1] These data have not been linked back over the years prior to 1975, when the former Labour Force Survey was in effect; as a result, both sets of data are presented here.

[2] Only the total unemployed data for 1966 to 1975 are as revised by Statistics Canada; the other figures for that period therefore do not add exactly to the stated total.

[3] Prior to 1975 this includes spouses.

Source: Statistics Canada, *The Labour Force*.

Reference Table 34
Family Units with One or More Unemployed Persons by the Number of Employed Persons in the Family Unit, Canada 1961 – 1982[1]

Year	Units with some unemployed	No persons in unit employed	One or more persons in unit employed: Total	One employed	Two employed[2]	Three or more employed	Units with some unemployment	No persons in unit employed	One or more persons in unit employed: Total	One employed	Two employed[2]	Three or more employed
	(Thousands of family units, annual averages)						(Change)					
	Former Labour Force Survey											
1961	394	177	217	132	57	28						
1962	331	148	183	112	46	25	−63	−29	−34	−20	−11	−3
1963	315	138	179	108	46	26	−16	−10	−4	0	0	1
1964	284	115	170	99	48	23	−31	−23	−9	−9	2	−3
1965	245	96	149	87	40	22	−39	−19	−21	−12	−8	−1
1966	229	87	142	83	39	19	−16	−9	−7	−4	−1	−3
1967	248	100	168	100	44	24	19	13	26	17	5	5
1968	319	119	200	119	54	28	71	19	32	19	10	4
1969	320	113	207	122	54	31	1	−6	7	3	0	3
1970	396	141	256	157	69	30	76	28	49	35	15	−1
1971	461	165	295	181	77	39	65	24	39	24	8	9
1972	456	159	297	186	76	36	−5	−6	2	5	−1	−3
1973	408	128	281	172	70	39	−48	−31	−16	−14	−6	3
1974	412	135	276	170	70	36	4	7	−5	−2	0	−3
1975	547	185	362	228	92	43	135	50	86	58	22	7
	Revised Labour Force Survey											
1975	553	153	399	260	139	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
1976	576	153	423	273	150	n.a.	23	0	24	13	11	n.a.
1977	669	176	493	318	175	n.a.	93	23	70	45	25	n.a.
1978	711	187	523	340	183	n.a.	42	11	30	22	8	n.a.
1979	663	172	492	320	172	n.a.	−48	−15	−31	−20	−11	n.a.
1980	682	178	504	321	183	n.a.	19	6	12	1	11	n.a.
1981	703	179	524	337	187	n.a.	21	1	20	16	4	n.a.
1982	996	282	714	468	246	n.a.	293	103	190	131	59	n.a.

[1] See note 1 on reference table 33.
[2] On revised Labour Force Survey this column reads "two or more employed".

Source: Statistics Canada, *The Labour Force*.

Reference Table 35
Help-Wanted Index, Canada and Regions
1962 – 1982
(1969 = 100)

Year	Canada	Atlantic region	Quebec	Ontario	Prairie region	British Columbia
D	730179	730180	730181	730182	730183	730184
1962	62	87	90	44	54	41
1963	65	84	88	51	60	40
1964	78	97	102	65	73	54
1965	97	137	118	86	86	70
1966	107	143	127	96	102	75
1967	93	121	109	79	104	66
1968	81	107	85	77	84	70
1969	100	100	100	100	100	100
1970	82	78	86	83	79	75
1971	86	87	93	80	86	83
1972	115	104	114	117	121	113
1973	148	137	140	149	156	166
1974	199	236	203	170	230	221
1975	163	211	200	115	196	152
1976	157	136	195	106	212	148
1977	152	151	189	104	197	146
1978	165	139	206	113	227	147
1979	189	135	176	156	309	190
1980	203	145	181	158	344	250
1981	224	133	158	181	401	350
1982	99	86	75	92	157	12.2
			(Per cent change)			
1963	4.8	−3.4	−2.2	15.9	11.1	−2.4
1964	20.0	15.5	15.9	27.5	21.7	35.0
1965	24.4	41.2	15.7	32.3	17.8	29.6
1966	10.3	4.4	7.6	11.8	18.6	7.1
1967	−13.1	−15.4	−14.2	−17.7	2.0	−12.0
1968	−12.9	−11.6	−22.0	−2.5	−19.2	6.1
1969	23.5	−6.5	17.6	29.9	19.0	42.9
1970	−18.0	−22.0	−14.0	−17.0	−21.0	−25.0
1971	4.9	11.5	8.1	−3.6	11.4	10.7
1972	33.7	19.5	22.6	46.3	37.5	36.1
1973	28.7	31.7	22.8	27.4	28.9	46.9
1974	34.5	72.3	45.0	14.1	47.4	33.1
1975	−18.1	−10.6	−1.5	−32.4	−14.8	−31.2
1976	−3.7	−35.5	−2.5	−7.8	8.2	−2.6
1977	−2.5	11.0	−3.1	−1.9	−7.1	−1.4
1978	7.8	−7.9	9.0	8.7	15.2	0.7
1979	14.5	−2.9	−14.6	38.1	36.1	29.3
1980	7.4	7.4	2.8	1.3	11.3	31.6
1981	10.3	−8.3	−12.7	14.6	16.6	40.0
1982	−55.8	−35.3	−52.5	−49.2	−60.8	−65.1

Source: Statistics Canada, *Canadian Statistical Review*, cat. 11-003.

Reference Table 36
Index of Productivity and Costs:
Commercial Non-Agricultural Industries
1961 – 1981
(1971 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per unit of output
D	142855	240203	240263	240557	240323	240353	240587	240647
1961	56.5	75.1	79.7	43.1	75.2	70.9	57.3	76.2
1962	60.2	77.7	82.7	45.7	77.5	72.8	58.8	75.8
1963	63.4	79.9	84.6	48.4	79.4	74.9	60.6	76.4
1964	68.7	83.4	88.3	52.5	82.2	77.7	63.0	76.5
1965	74.1	88.1	92.9	58.4	84.1	79.8	66.3	78.8
1966	79.0	92.3	96.2	65.6	85.6	82.1	71.1	83.0
1967	82.2	93.9	97.4	71.7	87.5	84.4	76.3	87.2
1968	86.8	94.3	96.8	76.5	92.1	89.7	81.1	88.1
1969	92.3	97.7	99.4	85.0	94.4	92.9	86.9	92.1
1970	94.3	98.1	98.9	91.3	96.1	95.4	93.0	96.8
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	107.4	104.1	103.7	111.5	103.1	103.5	107.1	103.8
1973	116.8	110.0	109.5	129.6	106.2	106.7	117.8	111.0
1974	123.0	115.8	114.5	154.8	106.2	107.5	133.7	125.8
1975	123.0	117.0	114.6	178.4	105.1	107.3	152.5	145.1
1976	129.7	119.1	116.1	204.3	109.0	111.7	171.6	157.5
1977	133.8	122.1	117.5	223.5	109.6	113.9	183.1	167.1
1978	139.0	125.6	121.5	242.7	110.6	114.4	193.2	174.6
1979	145.6	131.2	126.2	273.2	111.0	115.4	208.3	187.6
1980	145.8	133.9	128.6	305.2	108.9	113.4	227.9	209.3
1981	149.3	138.8	132.4	345.6	107.5	112.8	248.9	231.4
				(Per cent change)				
1962	6.5	3.5	3.8	6.0	3.1	2.7	2.6	−0.5
1963	5.3	2.8	2.3	5.9	2.5	2.9	3.1	0.8
1964	8.2	4.4	4.4	8.5	3.5	3.7	4.0	0.1
1965	8.0	5.6	5.2	11.2	2.3	2.7	5.2	3.0
1966	6.6	4.8	3.6	12.3	1.8	2.9	7.2	5.4
1967	4.1	1.7	1.2	9.1	2.2	2.8	7.3	5.1
1968	5.6	0.4	−0.6	6.8	5.3	6.3	6.3	1.1
1969	6.3	3.6	2.7	11.1	2.5	3.6	7.2	4.5
1970	2.2	0.4	−0.5	7.4	1.8	2.7	7.0	5.1
1971	6.0	1.9	1.1	9.5	4.1	4.8	7.5	3.3
1972	7.4	4.1	3.7	11.5	3.1	3.5	7.1	3.8
1973	8.8	5.7	5.6	16.2	3.0	3.1	10.0	6.9
1974	5.3	5.3	4.6	19.4	0.0	0.7	13.5	13.3
1975	0.0	1.0	0.2	15.2	−1.0	−0.2	14.1	15.3
1976	5.4	1.8	1.3	14.5	3.7	4.1	12.5	8.6
1977	3.2	2.5	1.2	9.4	0.6	2.0	6.7	6.1
1978	3.9	2.9	3.4	8.6	0.9	0.4	5.5	4.5
1979	4.7	4.5	3.9	12.6	0.4	0.9	7.8	7.4
1980	0.1	2.1	1.9	11.7	−1.9	−1.7	9.4	11.6
1981	2.4	3.7	3.0	13.2	−1.3	−0.5	9.2	10.6

Source: Statistics Canada, *Aggregate Productivity Measures*, annual, cat. 14-201. Data for Output prior to 1971 is based on Statistics Canada, *Index of Real Domestic Product by Industry*, annual, cat. 61-005.

Reference Table 37

Index of Productivity and Costs:
Commercial Non-Agricultural Goods-Producing Industries
1961 – 1981
(1971 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per unit of output
D		240204	240264	240558	240324	240354	240588	240648
1961	55.6	82.7	84.7	44.7	67.2	65.6	54.0	80.4
1962	60.0	85.3	88.3	47.6	70.4	67.9	55.9	79.4
1963	63.3	87.2	90.1	50.3	72.6	70.3	57.7	79.5
1964	69.1	91.3	94.7	54.9	75.7	73.0	60.2	79.5
1965	75.2	96.3	100.0	61.5	78.1	75.2	63.9	81.7
1966	80.8	100.7	104.1	69.5	80.2	77.6	69.1	86.1
1967	83.2	100.3	102.7	74.6	83.0	81.0	74.4	89.7
1968	88.2	99.7	101.8	79.0	88.5	86.6	79.3	89.5
1969	93.7	101.4	102.6	86.6	92.4	91.3	85.4	92.4
1970	94.7	99.3	100.2	91.5	95.4	94.5	92.2	96.6
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	106.7	102.5	102.6	109.8	104.0	104.0	107.1	103.0
1973	116.4	108.0	107.9	129.2	107.8	107.9	119.6	110.9
1974	120.1	111.0	110.3	154.0	108.2	108.8	138.7	128.2
1975	115.1	109.2	107.5	174.2	105.4	107.0	159.5	151.4
1976	121.2	110.5	108.7	198.4	109.7	111.5	179.5	163.6
1977	123.4	110.0	107.6	216.5	112.2	114.7	196.8	175.4
1978	126.6	111.3	109.3	231.6	113.7	115.8	208.1	183.0
1979	132.3	116.3	113.8	259.8	113.7	116.2	223.4	196.4
1980	129.6	116.4	113.9	285.1	111.4	113.8	245.0	219.9
1981	132.0	119.0	116.0	322.7	110.9	113.8	271.2	244.4
				(Per cent change)				
1962	7.9	3.1	4.3	6.5	4.8	3.3	3.5	– 1.2
1963	5.5	2.2	2.0	5.7	3.1	3.5	3.2	0.1
1964	9.2	4.7	5.1	9.1	4.3	3.8	4.3	0.0
1965	8.8	5.5	5.6	12.0	3.2	3.0	6.1	2.8
1966	7.4	4.6	4.1	13.0	2.7	3.2	8.1	5.4
1967	3.0	–0.4	– 1.3	7.3	3.5	4.4	7.7	4.2
1968	6.0	–0.6	–0.9	5.9	6.6	6.9	6.6	–0.2
1969	6.2	1.7	0.8	9.6	4.4	5.4	7.7	3.2
1970	1.1	– 2.1	– 2.3	5.7	3.2	3.5	8.0	4.5
1971	5.6	0.7	–0.2	9.3	4.8	5.8	8.5	3.5
1972	6.7	2.5	2.6	9.8	4.0	4.0	7.1	3.0
1973	9.1	5.4	5.2	17.7	3.7	3.7	11.7	7.7
1974	3.2	2.8	2.2	19.2	0.4	0.8	16.0	15.6
1975	– 4.2	– 1.6	– 2.5	13.1	– 2.6	– 1.7	15.0	18.1
1976	5.3	1.2	1.1	13.9	4.1	4.2	12.5	8.1
1977	1.8	–0.5	– 1.0	9.1	2.3	2.9	9.6	7.2
1978	2.6	1.2	1.6	7.0	1.3	1.0	5.7	4.3
1979	4.5	4.5	4.1	12.2	0.0	0.3	7.4	7.3
1980	– 2.0	0.1	0.1	9.7	– 2.0	– 2.1	9.7	12.0
1981	1.9	2.2	1.8	13.2	– 0.4	0.0	10.7	11.1

Source: Statistics Canada, *Aggregate Productivity Measures.*

Reference Table 38
Index of Productivity and Costs:
Commercial Services-Producing Industries
1961 – 1981
(1971 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per unit of output
D		240202	240262	240556	240322	240352	240586	240646
1961	57.5	69.2	75.7	41.5	83.1	76.0	59.9	72.2
1962	60.5	71.7	78.2	43.7	84.3	77.3	61.0	72.3
1963	63.5	74.2	80.3	46.6	85.6	79.1	62.8	73.4
1964	68.2	77.3	83.2	50.2	88.2	82.0	64.9	73.6
1965	73.1	81.8	87.3	55.4	89.4	83.7	67.8	75.8
1966	77.3	85.8	90.0	61.8	90.0	85.9	72.0	79.9
1967	81.4	89.0	93.2	68.7	91.4	87.3	77.2	84.4
1968	85.5	90.1	92.8	74.0	94.9	92.1	82.2	86.6
1969	91.0	94.9	96.8	83.4	95.9	94.0	87.8	91.6
1970	94.0	97.2	97.8	91.0	96.7	96.1	93.7	96.8
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	108.0	105.3	104.7	113.1	102.5	103.2	107.3	104.7
1973	117.1	111.6	110.8	130.0	105.0	105.7	116.5	111.0
1974	125.7	119.5	117.7	155.7	105.2	106.8	130.2	123.9
1975	130.1	123.1	120.3	182.5	105.7	108.2	148.3	140.3
1976	137.3	125.7	122.0	210.0	109.2	112.6	167.1	153.0
1977	143.1	131.5	125.4	230.4	108.7	114.1	175.1	161.1
1978	150.1	136.8	131.4	253.5	109.7	114.2	185.3	168.9
1979	157.5	142.8	136.1	286.4	110.3	115.8	200.6	181.8
1980	160.3	147.6	140.5	325.0	108.6	114.1	220.2	202.8
1981	164.8	154.3	145.6	368.0	106.8	113.2	238.5	223.3
				(Per cent change)				
1962	5.2	3.6	3.3	5.3	1.4	1.7	1.8	0.1
1963	5.0	3.5	2.7	6.6	1.5	2.3	3.0	1.4
1964	7.4	4.2	3.6	7.7	3.0	3.7	3.3	0.4
1965	7.2	5.8	4.9	10.4	1.4	2.1	4.5	3.0
1966	5.7	4.9	3.1	11.6	0.7	2.6	6.2	5.4
1967	5.3	3.7	3.6	11.2	1.6	1.6	7.2	5.6
1968	5.0	1.2	−0.4	7.7	3.8	5.5	6.5	2.6
1969	6.4	5.3	4.3	12.7	1.1	2.1	6.8	5.8
1970	3.3	2.4	1.0	9.1	0.8	2.2	6.7	5.7
1971	6.4	2.9	2.2	9.9	3.4	4.1	6.7	3.3
1972	8.0	5.3	4.7	13.1	2.5	3.2	7.3	4.7
1973	8.4	6.0	5.8	14.9	2.4	2.4	8.6	6.0
1974	7.3	7.1	6.2	19.8	0.2	1.0	11.8	11.6
1975	3.5	2.9	2.2	17.2	0.5	1.3	13.9	13.2
1976	5.5	2.1	1.4	15.1	3.3	4.1	12.7	9.1
1977	4.2	4.6	2.8	9.7	−0.5	1.3	4.8	5.3
1978	4.9	4.0	4.8	10.0	0.9	0.1	5.8	4.8
1979	4.9	4.4	3.6	13.0	0.5	1.4	8.3	7.6
1980	1.8	3.4	3.2	13.5	−1.5	−1.5	9.8	11.6
1981	2.8	4.5	3.6	13.2	−1.7	−0.8	8.3	10.1

Source: Statistics Canada, *Aggregate Productivity Measures.*

Reference Table 39

Index of Productivity and Costs: Manufacturing Industries

1961 – 1981

(1971 = 100)

Year	Output	Persons employed	Total person-hours	Labour compensation	Output per person employed	Output per person-hour	Labour compensation per person employed	Labour compensation per unit of output
D		240186	240246	240546	240306	240336	240576	240636
1961	54.4	83.6	84.4	46.9	65.1	64.4	56.1	86.1
1962	59.4	85.8	87.6	50.1	69.2	67.8	58.3	84.3
1963	63.4	88.0	90.1	53.3	72.1	70.4	60.6	84.1
1964	69.5	92.0	94.6	58.1	75.6	73.5	63.2	83.6
1965	75.8	96.7	99.4	64.1	78.4	76.2	66.3	84.6
1966	81.5	101.3	103.4	71.9	80.5	78.9	71.0	88.2
1967	83.9	101.7	103.1	77.2	82.5	81.4	75.9	92.0
1968	89.1	101.0	102.5	82.4	88.3	86.9	81.6	92.4
1969	95.8	102.9	104.1	89.9	93.1	92.0	87.3	93.8
1970	94.5	100.6	101.2	94.0	94.0	93.4	93.5	99.5
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	107.7	103.1	103.2	110.6	104.5	104.4	107.2	102.6
1973	119.1	107.8	107.2	126.7	110.4	111.0	117.5	106.4
1974	123.4	110.0	108.7	148.7	112.2	113.5	135.2	120.5
1975	116.2	107.5	105.1	164.0	108.0	110.6	152.6	141.2
1976	123.1	108.0	105.6	188.4	114.0	116.5	174.5	153.1
1977	125.5	105.8	103.6	205.0	118.6	121.2	193.7	163.3
1978	131.9	109.2	107.1	226.2	120.8	123.1	207.2	171.5
1979	138.1	113.2	110.2	256.4	122.0	125.2	226.5	185.7
1980	133.7	113.5	110.4	280.1	117.8	121.1	246.8	209.5
1981	135.9	115.6	111.8	315.2	117.5	121.5	272.7	232.0
				(Per cent change)				
1962	9.2	2.6	3.8	6.8	6.3	5.3	3.9	−2.1
1963	6.7	2.6	2.9	6.4	4.2	3.8	3.9	−0.2
1964	9.6	4.5	5.0	9.0	4.9	4.4	4.3	−0.6
1965	9.1	5.1	5.1	10.3	3.7	3.7	4.9	1.2
1966	7.5	4.8	4.0	12.2	2.7	3.5	7.1	4.3
1967	2.9	0.4	−0.3	7.4	2.5	3.2	6.9	4.3
1968	6.2	−0.7	−0.6	6.7	7.0	6.8	7.5	0.4
1969	7.5	1.9	1.6	9.1	5.4	5.9	7.0	1.5
1970	−1.4	−2.2	−2.8	4.6	1.0	1.5	7.1	6.1
1971	5.8	−0.6	−1.2	6.4	6.4	7.1	6.9	0.5
1972	7.7	3.1	3.2	10.6	4.5	4.4	7.2	2.6
1973	10.6	4.6	3.9	14.6	5.6	6.3	9.6	3.7
1974	3.6	2.0	1.4	17.4	1.6	2.3	15.1	13.3
1975	−5.8	−2.3	−3.3	10.3	−3.7	−2.6	12.9	17.2
1976	5.9	0.5	0.5	14.9	5.6	5.3	14.4	8.4
1977	1.9	−2.0	−1.9	8.8	4.0	4.0	11.0	6.7
1978	5.1	3.2	3.4	10.3	1.9	1.6	7.0	5.0
1979	4.7	3.7	2.9	13.4	1.0	1.7	9.3	8.3
1980	−3.2	0.3	0.2	9.2	−3.4	−3.3	9.0	12.8
1981	1.6	1.9	1.3	12.5	−0.3	0.3	10.5	10.7

Source: Statistics Canada, *Aggregate Productivity Measures.*

Reference Table 40

Average Weekly Wages and Salaries by Industrial Division

1961 – 1982

Year	Primary[1] industries	Manufacturing	Construction	Transportation, communication and other utilities	Trade[2]	Finance, insurance and real estate	Service	Industrial composite
D		1442	1445	1446		1449	1450	1439
				(Dollars)				
1961	92.85	81.54	86.93	82.48	66.24	72.81	57.84	78.24
1962	95.82	83.99	89.36	86.44	68.09	75.34	59.27	80.54
1963	99.44	86.89	93.59	90.10	70.36	77.62	60.39	83.28
1964	103.47	90.41	98.48	93.68	72.82	81.85	62.38	86.50
1965	108.94	94.78	106.68	99.09	75.45	88.29	65.76	91.01
1966	116.89	100.13	119.56	103.65	78.87	93.00	70.18	96.30
1967	126.62	106.53	130.47	113.13	83.51	99.00	75.35	102.79
1968	136.58	114.40	137.25	122.66	89.58	106.17	79.35	109.92
1969	146.13	122.94	149.85	132.54	96.86	113.81	84.17	117.83
1970	159.98	132.84	166.40	142.26	103.81	120.52	90.64	126.78
1971	173.11	143.99	188.27	154.14	112.33	129.59	98.56	137.64
1972	187.16	156.10	209.93	168.03	122.44	140.79	107.32	149.22
1973	208.83	167.48	225.45	181.89	131.55	154.44	114.53	160.45
1974	235.49	185.62	250.30	204.39	145.36	172.25	126.11	178.08
1975	274.88	213.43	290.95	233.98	165.34	193.12	143.68	203.34
1976	311.77	241.19	331.02	262.02	183.67	213.71	160.49	228.03
1977	341.76	266.04	369.93	291.15	199.20	229.57	171.28	249.95
1978	367.41	285.68	389.67	313.28	211.21	248.43	180.00	265.35
1979	408.86	311.19	422.90	341.45	229.34	272.10	193.27	288.32
1980	457.13	342.19	461.59	381.17	250.83	304.37	211.17	317.39
1981	519.68	382.89	521.31	427.47	276.51	353.71	234.86	354.72
1982	586.12	424.16	559.13	481.61	n.a.	389.57	260.58	390.60
				(Per cent change)				
1962	3.2	3.0	2.8	4.8	2.8	3.5	2.5	2.9
1963	3.8	3.5	4.7	4.2	3.3	3.0	1.9	3.4
1964	4.1	4.0	5.2	4.0	3.5	5.5	3.3	3.9
1965	5.3	4.8	8.3	5.8	3.6	7.9	5.4	5.2
1966	7.3	5.6	12.1	4.6	4.5	5.3	6.7	5.8
1967	8.3	6.4	9.1	9.1	5.9	6.4	7.4	6.7
1968	7.9	7.4	5.2	8.4	7.3	7.2	5.3	6.9
1969	7.0	7.5	9.2	8.1	8.1	7.2	6.1	7.2
1970	9.5	8.1	11.0	7.3	7.2	5.9	7.7	7.6
1971	8.2	8.4	13.1	8.4	8.2	7.5	8.7	8.6
1972	8.1	8.4	11.5	9.0	9.0	8.6	8.9	8.4
1973	11.6	7.3	7.4	8.3	7.5	9.7	6.7	7.5
1974	12.8	10.8	11.0	12.4	10.5	11.5	10.1	11.0
1975	16.7	15.0	16.2	14.5	13.7	12.1	13.9	14.2
1976	13.4	13.0	13.8	12.0	11.1	10.7	11.7	12.1
1977	9.6	10.3	11.7	11.1	8.5	7.4	6.7	9.6
1978	7.5	7.4	5.3	7.6	6.0	8.2	5.1	6.2
1979	11.3	8.9	8.5	9.0	8.6	9.5	7.4	8.7
1980	11.8	10.0	9.2	11.6	9.4	11.9	9.3	10.1
1981	13.7	11.9	12.9	12.1	10.2	16.2	11.2	11.8
1982	12.8	10.8	7.3	12.7	n.a.	10.1	11.0	10.1

(1) Forestry and mining (including milling). Estimated by the Department of Finance.
(2) Estimated by the Department of Finance.

Source: Statistics Canada, *Employment, Earnings and Hours.*

Reference Table 41

Annual Average Wage Changes Provided by Major Collective Agreements (without COLA)[1] (Percentage changes on a life-of-contract basis)
1972 – 1982

Year	Total manufacturing	Manufacturing — durables	Manufacturing — non-durables	Non-manufacturing	Total commercial	Total non-commercial	All industries
1972	9.6	9.6	9.5	8.5	9.6	7.8	8.8
1973	12.2	13.0	11.5	10.7	12.1	9.9	11.0
1974	16.1	17.5	15.5	14.6	15.2	14.4	14.7
1975	16.4	15.3	17.0	19.5	17.6	19.9	19.2
1976	10.5	9.8	10.2	11.0	10.6	11.1	10.9
1977	7.8	7.7	8.0	7.9	7.9	7.9	7.9
1978	7.9	8.1	7.8	7.1	7.6	6.7	7.2
1979	9.9	10.4	9.2	8.5	9.5	8.3	8.7
1980	12.1	11.5	12.3	11.0	11.5	10.9	11.1
1981	12.6	11.8	12.3	13.3	13.8	13.1	13.3
1982	10.8	9.1	11.1	9.9	9.6	10.1	10.0

[1] Agreements covering 500 or more employees (excluding construction). Percentage increases refer to base wage rates, the lowest paid classification used for qualified workers in the bargaining unit.

Source: Labour Canada, *Wage Developments Resulting from Major Collective Bargaining Settlements*, annual and quarterly.

Reference Table 42
Gross National Expenditure Implicit Price Indexes[1]
1947 – 1982
(1971 = 100)

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Terms of Trade	Gross national expenditure
			Total	Government	Business	Housing				
D	40626	40631	40632	40633		40637	40640	40642		40625
1947	50.5	28.3	44.2	48.2	44.1	42.1	59.3	56.2	105.5	45.7
1948	57.3	32.3	50.1	54.4	49.6	49.1	63.6	62.8	101.3	51.3
1949	59.4	34.6	52.5	56.6	52.2	51.2	66.8	64.9	102.9	53.5
1950	61.2	35.9	54.8	58.9	54.5	53.5	69.8	69.4	100.7	54.8
1951	67.4	40.0	62.6	69.9	61.4	62.2	77.6	76.7	101.2	61.0
1952	69.0	42.0	64.6	71.5	63.6	63.1	76.7	71.3	107.4	63.7
1953	68.8	43.0	64.7	67.3	64.5	63.7	74.9	71.2	105.1	63.6
1954	69.5	44.7	64.5	67.4	64.4	63.1	74.3	71.4	104.0	64.6
1955	69.5	46.2	66.4	72.5	65.9	64.3	77.3	72.6	106.4	65.0
1956	70.6	49.4	69.9	80.3	69.6	65.3	79.4	75.0	105.8	67.4
1957	72.8	51.9	70.9	75.8	70.9	67.2	79.0	76.9	102.7	68.8
1958	74.7	53.5	70.4	71.9	71.5	67.0	78.7	78.0	100.8	69.6
1959	75.6	55.3	70.9	72.2	72.4	66.9	79.8	77.5	103.0	71.2
1960	76.3	57.3	71.9	72.8	73.0	68.2	80.3	78.2	102.8	72.1
1961	76.8	59.1	71.4	70.4	72.7	68.8	81.3	80.3	101.2	72.4
1962	77.8	60.6	72.4	71.4	74.1	68.6	84.5	84.0	100.6	73.4
1963	79.0	63.1	74.4	74.0	76.1	70.1	85.3	85.9	99.3	74.8
1964	80.0	65.2	77.0	76.3	78.8	73.0	87.1	86.6	100.5	76.6
1965	81.6	68.2	81.1	81.3	82.3	77.2	88.7	87.3	101.6	79.1
1966	84.3	72.8	85.3	85.9	85.9	82.2	91.1	89.2	102.2	82.6
1967	87.2	77.8	87.1	86.8	87.2	87.0	93.0	90.7	102.6	85.9
1968	90.8	82.2	87.7	87.0	87.8	87.9	94.3	93.0	101.4	88.7
1969	94.3	89.0	91.4	91.2	91.2	92.1	96.4	95.6	100.8	92.6
1970	97.7	94.2	95.3	95.3	95.6	94.1	99.7	98.2	101.6	96.9
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	104.0	107.2	105.0	105.2	104.0	107.1	103.9	103.1	100.8	105.0
1973	111.6	116.4	114.0	114.8	110.2	123.8	117.4	111.2	105.6	114.6
1974	124.2	135.1	133.4	138.0	126.7	148.4	152.2	134.1	113.5	132.1
1975	137.3	156.0	150.2	153.2	143.8	167.3	168.6	153.6	109.8	146.3
1976	147.4	176.7	163.9	163.7	154.7	187.7	173.9	155.4	111.9	160.2
1977	158.3	193.7	177.4	176.0	166.6	208.2	187.4	174.3	107.4	171.5
1978	169.9	209.7	192.3	189.5	182.1	223.8	203.2	197.3	103.0	182.6
1979	185.5	227.3	209.5	207.9	200.5	240.8	242.1	224.6	107.8	201.4
1980	205.3	257.0	229.3	230.5	222.6	253.8	280.2	258.3	108.4	223.7
1981	228.7	290.3	254.3	259.4	247.4	277.6	301.7	287.0	105.1	246.3
1982	252.8	327.3	273.7	283.3	268.9	285.9	309.1	298.6	103.5	272.6

Reference Table 42 (continued)
Gross National Expenditure Implicit Price Indexes[1]
1947 – 1982

Year	Personal expenditure on consumer goods and services	Government current expenditure on goods and services	Gross fixed capital formation				Exports of goods and services	Imports of goods and services	Terms of Trade	Gross national expenditure
			Total	Government	Business	Housing				
	(Per cent change)									
1948	13.5	13.8	13.3	12.5	12.4	16.3	7.2	11.6	−4.0	12.3
1949	3.6	7.1	4.8	4.2	5.1	4.5	5.0	3.3	1.8	4.3
1950	3.1	3.9	4.5	4.2	4.4	4.6	4.6	7.0	−2.2	2.3
1951	10.2	11.5	14.3	18.7	12.7	16.2	11.1	10.6	0.5	11.5
1952	2.3	4.8	3.2	2.2	3.7	1.4	−1.1	−6.8	6.2	4.3
1953	−0.2	2.5	0.2	−5.8	1.4	0.9	−2.4	−0.1	−2.1	−0.1
1954	0.9	4.0	−0.3	0.1	−0.2	−0.8	−0.8	0.3	−1.1	1.6
1955	0.0	3.3	2.9	7.6	2.4	1.9	4.0	1.7	2.3	0.6
1956	1.6	7.0	5.3	10.8	5.5	1.6	2.7	3.3	−0.6	3.6
1957	3.1	5.1	1.4	−5.6	1.9	2.8	−0.5	2.5	−2.9	2.1
1958	2.6	3.0	−0.7	−5.1	0.9	−0.3	−0.4	1.4	−1.8	1.4
1959	1.1	3.4	0.8	0.3	1.3	−0.1	1.5	−0.6	2.1	2.1
1960	0.9	3.6	1.3	0.9	0.7	2.0	0.6	0.9	−0.2	1.2
1961	0.7	3.2	−0.6	−3.3	−0.2	0.8	1.2	2.7	−1.5	0.5
1962	1.3	2.4	1.3	1.5	1.9	−0.3	3.9	4.6	−0.6	1.4
1963	1.5	4.1	2.8	3.6	2.7	2.3	0.9	2.3	−1.3	1.9
1964	1.3	3.5	3.5	3.1	3.5	4.1	2.1	0.8	1.2	2.5
1965	1.9	4.5	5.2	6.5	4.5	5.8	1.8	0.7	1.1	3.2
1966	3.3	6.7	5.2	5.7	4.3	6.7	2.7	2.2	0.5	4.4
1967	3.4	6.8	2.2	1.0	1.6	5.6	2.0	1.7	0.4	3.9
1968	4.2	5.7	0.7	0.2	0.7	1.0	1.4	2.6	−1.1	3.3
1969	3.9	8.3	4.2	4.9	3.8	4.8	2.2	2.8	−0.6	4.4
1970	3.6	5.8	4.2	4.5	4.8	2.2	3.5	2.7	0.8	4.7
1971	2.4	6.2	4.9	4.9	4.6	6.1	0.3	1.8	−1.5	3.2
1972	4.0	7.2	5.0	5.2	4.0	7.3	3.9	3.1	0.7	5.0
1973	7.3	8.6	8.6	9.1	5.9	15.4	13.0	7.9	4.8	9.2
1974	11.3	16.1	17.0	20.3	15.0	20.0	29.6	20.7	7.4	15.3
1975	10.6	15.4	12.5	11.2	13.5	12.7	10.8	14.4	−3.4	10.8
1976	7.4	13.3	9.1	6.9	7.6	12.2	3.1	1.2	2.0	9.5
1977	7.4	9.6	8.2	7.5	7.7	10.9	7.8	12.2	−4.0	7.1
1978	7.3	8.3	8.4	7.7	9.3	7.5	8.5	13.1	−4.1	6.5
1979	9.2	8.4	8.9	9.7	10.2	7.6	19.1	13.8	4.6	10.3
1980	10.7	13.1	9.4	10.8	11.0	5.4	15.7	15.0	0.6	11.0
1981	11.4	13.0	10.9	12.5	11.1	9.4	7.7	11.1	−3.1	10.1
1982	10.5	12.7	7.6	9.2	8.7	3.0	2.5	4.0	−1.5	10.7

[1] These implicit price indexes are currently weighted price indexes. They reflect not only pure price change, but also changing expenditure patterns within and between major groups. The implicit price index for gross national expenditure is derived by dividing the total of current dollars by the total of constant dollars.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 43
Consumer Price Indexes: Standard Classifications
1961 – 1982
(1971 = 100)

Year	All items	Food	Housing	Clothing	Trans-portation	Health and personal care	Recreation and reading	Tobacco and alcohol
D	451000	451001	451132	451226	451321	451350	451381	451424
1961	74.9	76.1	73.1	77.7	77.0	70.2	73.7	77.8
1962	75.8	77.5	73.9	78.4	76.9	71.6	74.4	78.7
1963	77.2	80.0	74.8	80.4	76.9	73.4	75.4	78.9
1964	78.6	81.3	76.0	82.4	77.7	75.9	76.6	80.4
1965	80.5	83.4	77.3	83.8	80.7	79.4	77.9	81.7
1966	83.5	88.7	79.4	87.0	82.6	81.8	80.1	83.7
1967	86.5	89.9	82.9	91.3	86.1	86.0	84.2	85.8
1968	90.0	92.8	86.7	94.1	88.3	89.5	88.3	93.6
1969	94.1	96.7	91.2	96.7	92.4	93.8	93.6	97.2
1970	97.2	96.9	95.7	96.5	96.1	96.0	96.8	96.4
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	104.8	107.6	104.7	102.6	102.6	104.8	102.8	102.7
1973	112.8	123.3	111.4	107.7	105.3	109.8	107.1	106.0
1974	125.0	143.4	121.2	118.0	115.8	119.4	116.5	111.8
1975	138.5	161.9	133.2	125.1	129.4	133.0	128.5	125.3
1976	148.9	166.2	148.0	132.0	143.3	144.3	136.2	134.3
1977	160.8	180.1	161.9	141.0	153.3	155.0	142.7	143.8
1978	175.1	206.0	174.1	146.4	162.2	166.2	148.2	155.5
1979	191.2	235.3	186.2	159.9	178.0	181.2	158.4	166.7
1980	210.6	260.6	201.4	178.7	200.7	199.3	173.5	185.3
1981	236.9	290.4	226.4	191.4	237.6	221.0	191.0	209.2
1982	262.5	311.4	254.7	202.0	271.1	244.4	207.5	241.6
				(Per cent change)				
1961	0.9	1.5	0.5	1.5	0.3	0.5	1.2	0.5
1962	1.2	1.9	1.1	0.8	−0.2	2.0	0.9	1.2
1963	1.8	3.2	1.2	2.6	0.0	2.5	1.3	0.3
1964	1.8	1.6	1.6	2.5	1.0	3.4	1.7	1.9
1965	2.4	2.6	1.7	1.7	3.7	4.6	1.7	1.6
1966	3.7	6.4	2.7	3.8	2.4	3.0	2.8	2.4
1967	3.6	1.4	4.4	4.9	4.2	5.1	5.1	2.5
1968	4.0	3.2	4.6	3.1	2.6	4.1	4.9	9.1
1969	4.6	4.2	5.2	2.8	4.6	4.8	6.0	3.8
1970	3.3	2.3	4.9	1.9	4.0	4.5	3.4	1.2
1971	2.9	1.0	4.5	1.5	4.1	2.0	3.3	1.6
1972	4.8	7.6	4.6	2.6	2.7	4.8	2.8	2.7
1973	7.6	14.6	6.5	5.0	2.6	4.8	4.2	3.1
1974	10.9	16.3	8.7	9.6	9.9	8.7	8.8	5.5
1975	10.8	12.9	10.0	6.0	11.8	11.4	10.3	12.1
1976	7.5	2.7	11.1	5.6	10.8	8.5	6.0	7.1
1977	8.0	8.3	9.4	6.8	7.0	7.4	4.7	7.1
1978	8.9	15.5	7.5	3.9	5.8	7.2	3.9	8.1
1979	9.1	13.2	7.0	9.2	9.7	9.1	6.9	7.2
1980	10.2	10.7	8.2	11.7	12.8	9.9	9.5	11.2
1981	12.5	11.4	12.4	7.1	18.4	10.9	10.1	12.9
1982	10.8	7.2	12.5	5.6	14.1	10.6	8.7	15.5

Source: Statistics Canada, *The Consumer Price Index*, monthly, cat. 62-001.

Reference Table 44
Consumer Price Indexes: Reclassified by Goods and Services
1961 – 1982
(1971 = 100)

Year	Total consumer price index	Total excluding food	Total commodities	Total commodities excluding food	Non-durables	Non-durables excluding food	Durables	Total services[1]	Services excluding shelter
D	451000	451443	451435	451440	451438	451441	451436	451439	451442
1961	74.9	74.6	79.9	82.7	77.3	79.4	94.0	66.6	66.5
1962	75.8	75.3	80.7	83.0	78.4	80.1	93.1[1]	67.8	67.7
1963	77.2	76.2	82.1	83.7	80.0	80.0	93.3	68.9	68.8
1964	78.6	77.6	83.1	84.5	81.2	81.1	92.4	70.9	70.9
1965	80.5	79.4	84.5	85.4	83.0	82.4	92.2	73.5	74.7
1966	83.5	81.7	87.8	87.3	87.0	84.5	92.2	76.1	77.6
1967	86.5	85.3	90.0	90.4	88.6	86.9	94.8	80.2	82.2
1968	90.0	89.0	93.4	93.7	92.4	91.5	96.3	84.4	85.8
1969	94.1	93.1	96.3	96.1	95.9	94.7	97.2	90.0	91.4
1970	97.2	96.7	98.2	97.9	98.1	97.0	98.4	95.3	96.0
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1972	104.8	103.7	104.6	102.3	105.8	102.9	101.2	105.2	104.7
1973	112.8	109.0	113.7	106.4	116.1	106.3	102.6	111.6	109.8
1974	125.0	118.6	128.1	116.7	135.3	120.4	110.4	120.5	119.4
1975	138.5	130.5	142.0	127.7	152.7	136.0	118.9	133.4	135.2
1976	148.9	142.8	149.0	136.1	160.0	147.6	125.3	149.6	153.1
1977	160.6	154.0	160.0	145.2	173.0	158.9	131.7	163.2	166.9
1978	175.1	163.9	176.2	153.8	194.4	170.5	139.4	174.3	178.0
1979	191.2	176.9	194.9	167.9	216.2	185.7	152.8	186.5	192.5
1980	210.6	194.6	217.2	187.5	242.6	210.4	169.4	201.8	211.0
1981	236.9	219.5	245.7	213.0	281.2	252.7	185.4	225.0	236.6
1982	262.5	245.5	268.8	235.0	314.0	294.8	195.7	254.1	268.6
				(Per cent change)					
1962	1.2	1.0	0.9	0.3	1.5	0.8	−0.9	1.7	1.8
1963	1.8	1.2	1.7	0.8	2.0	−0.1	0.1	1.6	1.6
1964	1.8	1.8	1.2	1.0	1.5	1.4	−1.0	2.9	3.1
1965	2.4	2.3	1.7	1.1	2.2	1.6	−0.2	3.7	5.4
1966	3.7	2.9	3.9	2.2	4.8	2.5	0.0	3.5	3.9
1967	3.6	4.4	2.5	3.6	1.8	2.8	2.8	5.4	5.9
1968	4.0	4.3	3.8	3.7	4.3	5.3	1.6	5.2	4.5
1969	4.6	4.6	3.1	2.6	3.8	3.5	0.9	6.6	6.3
1970	3.3	3.9	2.0	1.9	2.3	2.4	1.2	5.9	5.1
1971	2.9	3.4	1.8	2.1	1.9	3.1	1.6	4.9	4.2
1972	4.8	3.7	4.5	2.3	5.9	2.9	1.2	5.1	4.7
1973	7.6	5.1	8.8	4.0	11.6	5.3	1.4	6.2	4.8
1974	10.9	8.8	12.6	9.7	14.5	11.2	7.6	8.0	8.8
1975	10.8	10.1	10.9	9.4	12.9	12.9	7.7	10.7	13.2
1976	7.5	9.4	4.9	6.6	4.8	8.6	5.4	12.2	13.2
1977	8.0	7.9	7.4	6.7	8.1	7.7	5.1	9.0	9.0
1978	8.9	6.4	10.2	6.0	12.4	7.2	5.8	6.8	6.7
1979	9.1	7.9	10.6	9.2	11.2	8.9	9.6	7.0	8.1
1980	10.2	10.0	11.5	11.6	12.2	13.3	10.9	8.2	9.6
1981	12.5	12.8	13.1	13.6	15.9	20.1	9.5	11.5	12.1
1982	10.8	11.8	9.4	10.7	11.8	16.6	5.6	12.9	13.5

[1] Includes new houses, property taxes, and mortgage interest, but excludes the commodity component of shelter repairs.

Source: Statistics Canada, *The Consumer Price Index*.

Reference Table 45
Energy Prices
1961 – 1982

Year	Consumer prices					Crude oil prices		Industrial electricity
	Gasoline	Natural gas	Electricity	Fuel oil	Total energy	Imported-CIF Montreal	Wellhead-Alberta	(>5000 kwh)
	(Per cent change)					(Dollars per barrel)		(Per cent change)
1961	0.5	0.2	0.4	−3.8	—	2.10	—	—
1962	−0.2	0.7	−1.0	−1.9	—	2.32	2.61	—
1963	−1.3	0.0	0.2	−3.9	—	2.51	2.65	—
1964	4.4	0.0	−0.4	−4.9	—	2.47	2.65	—
1965	1.4	0.2	−1.6	0.0	—	2.47	2.65	—
1966	4.4	−0.4	0.1	−0.2	—	2.39	2.65	—
1967	2.4	0.1	7.3	1.8	—	2.64	2.65	—
1968	3.6	1.6	5.0	4.2	—	2.99	2.65	—
1969	2.5	−0.2	2.4	2.3	—	2.61	2.65	—
1970	2.3	−1.2	8.6	2.1	—	2.43	2.66	—
1971	3.5	1.5	3.4	9.6	—	2.95	2.85	—
1972	0.8	0.6	2.7	6.1	2.8	2.86	2.86	1.0
1973	6.8	1.6	8.1	15.7	9.0	3.95	3.48	6.0
1974	16.6	10.1	3.8	29.3	15.2	11.29	5.83	11.3
1975	13.2	20.8	11.6	13.5	13.5	12.59	7.25	10.5
1976	12.4	29.0	16.0	16.1	15.4	12.88	8.53	16.7
1977	8.6	13.1	17.0	15.5	12.2	15.16	10.25	31.3
1978	5.6	18.8	8.1	14.0	9.3	16.28	12.25	11.1
1979	10.2	5.5	8.7	12.4	9.8	22.66	13.25	10.3
1980	19.0	11.8	9.3	20.2	16.0	36.96	15.58	12.9
1981	36.0	27.4	8.8	43.4	30.1	42.99	18.86	9.9
1982	21.4	24.3	11.4	22.2	19.8	41.35	24.63	14.1

Source: Consumer prices are from Statistics Canada, *The Consumer Price Index*, cat. 62-001. Data for total energy are not published for the period prior to 1972.

Reference Table 46
Other Price Indexes
1961 – 1982
(1971 = 100)

Year	World commodity prices[1]		Industry selling price index			Building materials		Merchandise export prices	Merchandise import prices	Terms of trade[2]
	Total	Food	Total	Food	Non-food	Residential	Non-residential			
D			500000	500001	634401	610002	476002	40841	40843	
1961	78.0	85.1	82.4	78.2	83.7	89.3	74.8	85.1	84.0	101.4
1962	77.2	83.1	83.3	79.8	84.4	89.7	74.0	88.8	87.9	101.1
1963	87.6	77.8	84.4	82.6	85.0	72.1	75.9	89.2	90.0	99.1
1964	94.8	84.7	85.1	83.1	85.8	75.8	78.8	91.0	90.5	100.6
1965	85.7	83.7	88.2	83.9	87.0	80.2	83.2	92.1	90.2	102.2
1966	100.5	85.1	88.7	88.4	88.8	83.9	86.1	94.3	91.9	102.6
1967	95.1	84.7	90.4	89.1	90.9	86.8	87.9	95.1	92.7	102.6
1968	93.6	83.4	92.3	90.3	93.0	91.5	90.1	96.2	94.8	101.5
1969	101.7	88.8	95.8	94.9	96.1	96.4	94.1	97.7	97.0	100.8
1970	107.2	101.8	98.1	97.2	98.3	95.3	98.7	100.6	98.6	102.0
1971	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.1
1972	129.4	134.8	104.4	106.6	103.4	109.8	104.9	103.3	102.3	101.0
1973	210.8	211.4	116.1	131.3	112.3	124.0	113.1	118.2	110.0	107.5
1974	256.1	283.2	138.1	155.0	133.8	135.2	137.3	157.2	136.5	116.0
1975	224.9	255.1	153.7	170.9	149.3	139.7	147.0	173.2	158.6	110.6
1976	283.3	296.3	161.5	173.7	158.3	153.6	156.6	176.6	157.9	111.8
1977	319.7	389.2	174.3	185.9	171.3	165.2	165.6	189.2	177.1	106.8
1978	336.1	405.0	190.4	205.6	186.4	184.0	179.4	205.8	200.8	102.5
1979	408.8	479.9	217.9	231.7	214.1	207.0	208.7	249.4	229.5	108.7
1980	482.7	592.2	247.2	256.6	244.3	215.2	230.2	290.9	267.9	108.6
1981	427.2	519.2	272.4	279.4	270.1	238.4	253.4	310.0	298.7	104.4
1982	356.1	427.3	288.7	294.4	287.3	243.7	275.4	311.8	302.1	103.1
						(Per cent change)				
1961	−2.8	−2.3	0.3	2.2	—	−0.7	−0.9	0.7	3.0	−2.3
1962	−2.3	−3.0	1.1	2.0	0.8	0.6	−0.9	4.3	4.8	−0.3
1963	13.4	23.3	1.4	3.5	0.7	3.4	2.7	0.5	2.4	−1.9
1964	8.2	8.9	0.8	0.6	0.9	5.1	4.8	2.0	0.5	1.5
1965	1.0	−1.2	1.3	1.0	1.4	5.8	4.5	1.3	−0.3	1.6
1966	5.0	1.7	2.9	5.4	2.1	4.6	3.5	2.4	1.9	0.4
1967	−5.4	−0.5	2.0	0.8	2.4	3.5	2.1	0.8	0.9	0.0
1968	−1.6	−1.5	2.1	1.4	2.3	5.4	2.5	1.2	2.3	−1.1
1969	8.6	7.7	3.8	5.1	3.3	5.4	4.5	1.5	2.2	−0.7
1970	5.4	13.3	2.4	2.4	2.3	−1.1	2.7	2.9	1.7	1.2
1971	−6.7	−1.8	1.9	2.9	1.7	4.9	3.4	−0.6	1.4	−1.9
1972	29.3	34.8	4.4	6.7	3.4	9.8	4.9	3.3	2.4	0.9
1973	63.0	56.8	11.2	20.9	8.5	12.9	7.8	14.3	7.5	6.4
1974	22.9	34.0	19.0	18.0	19.2	9.0	21.4	33.1	23.2	8.0
1975	−13.2	−9.9	11.3	10.2	11.6	3.4	7.1	10.2	15.6	−4.7
1976	17.1	16.2	5.1	1.6	6.1	9.9	6.5	1.9	0.8	1.1
1977	21.4	31.3	7.9	7.0	8.2	7.5	5.7	7.1	12.2	−4.5
1978	5.1	4.1	9.2	10.6	8.8	11.4	8.4	8.8	13.4	−4.1
1979	21.9	18.5	14.5	12.7	14.9	12.5	16.3	21.2	14.3	6.0
1980	17.8	23.4	13.5	10.7	14.1	4.0	10.3	16.7	16.7	0.0
1981	−11.5	−12.3	10.2	8.9	10.6	9.8	10.1	6.5	10.8	−3.8
1982	−16.6	−17.7	6.0	5.4	6.4	3.1	8.7	0.6	1.8	−1.3

[1] *The Economist*.
[2] The index of the ratio of merchandise export prices to merchandise import prices.

Source: Statistics Canada, *Prices and Price Indexes*; Statistics Canada, *Trade of Canada Exports*, monthly, cat. 65-004; Statistics Canada, *Trade of Canada Imports*, monthly, cat. 65-007; and Statistics Canada, *Index Numbers of Farm Prices of Agricultural Products*, cat. 62-003.

Reference Table 47
An International Comparison of Total Government and Central Government Total Expenditures as Percentages of Gross Domestic or Gross National Product 1975 – 1981

	Average 1969-74	1975	1976	1977	1978	1979	1980	1981
Total Government[1]								
Australia[2]	27.7	32.3	33.0	34.4	33.7	33.2	33.9	—
Austria	38.5	43.8	44.8	45.0	47.9	47.4	48.6	—
Canada	36.7	41.3	40.2	41.3	42.0	40.7	41.7	42.7
Denmark	39.5	44.7	43.7	—	—	—	—	—
France	38.5	43.0	43.0	43.8	44.9	45.1	45.9	—
Germany	37.9	45.6	44.5	44.5	44.8	44.4	45.2	—
Italy	36.0	41.9	41.5	41.9	44.8	44.1	44.0	—
Japan	20.3	26.2	26.8	28.0	29.4	30.6	31.7	—
Netherlands	48.6	55.1	55.3	56.0	57.6	59.2	62.5	—
Norway	43.8	48.6	48.5	50.1	52.3	50.9	49.1	—
Sweden[2]	45.9	49.1	51.9	57.5	59.0	59.8	61.7	—
United Kingdom	39.4	45.9	45.3	43.1	42.6	42.5	44.6	—
United States[3]	32.6	35.9	35.0	34.1	33.3	33.0	35.1	35.8
Average[4]	37.3	42.4	42.6	43.3	44.3	44.2	45.2	—
Central Government[5]								
Australia[3]	13.4	15.9	16.5	17.0	16.7	16.3	16.9	—
Austria	16.3	17.2	17.5	17.5	19.3	19.1	18.5	—
Canada								
Excluding C/QPP	14.6	16.8	15.8	16.2	16.6	15.7	16.4	17.4
Including C/QPP	14.9	17.3	16.4	16.9	17.3	16.5	17.3	18.4
France	17.6	18.3	17.9	18.2	18.4	18.2	18.2	—
Germany	9.3	10.8	10.4	10.4	10.6	10.6	10.4	—
Italy[6]	15.8	17.2	17.2	18.2	20.1	20.0	19.8	—
Japan[6]	5.2	6.0	6.2	6.6	7.0	7.4	8.0	—
Netherlands	14.6	16.2	16.2	16.4	16.9	17.6	—	—
Norway	29.8	32.5	34.0	32.5	34.0	33.4	32.0	—
Sweden	19.7	20.7	22.0	24.0	25.1	25.6	26.5	—
United Kingdom	20.5	23.9	23.9	23.4	23.7	24.1	25.5	—
United States[3]	17.6	19.6	19.1	18.8	18.2	18.2	20.1	21.1
Average[7]	16.2	18.0	18.1	18.3	18.9	18.9	19.4	—

[1] Includes all levels of government and the social security system, but excludes public corporations and public financial institutions.
[2] Excludes social security benefits.
[3] To conform to Canadian national accounts conventions and to facilitate Canada-United States comparisons, the current surpluses of government enterprises and the interest received by the government have been added to government expenditures. In the United States national accounts these items are netted out of subsidies and interest payments respectively.
[4] Percentages exclude countries for which no data is shown on the table.
[5] Net of transfers to other levels of government.
[6] Average for 1970-74 instead of the average for 1969-74.
[7] Percentages exclude countries for which no data is shown on the table. The averages for the whole period are based on Canadian estimates including C/QPP.

Source: OECD, *National Accounts of OECD Countries*, 1960, volume II; Statistics Canada, *National Income and Expenditure Accounts*, and for the U.S. *Economic Report of the President* and the *Survey of Current Business*.

Reference Table 48
Total Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1982

Year	Direct taxes, persons	Direct taxes, corporations	Withholding taxes	Indirect taxes	Transfers from persons	Investment income	Capital consumption allowances	Total CPP and QPP[1]	Total revenues[2]
D	30516	30522	30525	30526	30530	30535	30549		
				(Millions of dollars)					
1947	927	702	35	1,855	35	261	146	—	3,961
1948	986	887	41	1,907	47	261	171	—	4,100
1949	956	723	47	1,955	57	242	187	—	4,167
1950	915	993	54	2,129	62	280	201	—	4,834
1951	1,279	1,431	56	2,677	77	285	248	—	6,053
1952	1,588	1,403	55	2,901	82	368	285	—	6,882
1953	1,748	1,244	54	3,107	84	378	280	—	6,895
1954	1,776	1,115	58	3,131	73	373	293	—	6,819
1955	1,855	1,310	67	3,407	79	420	320	—	7,458
1956	2,127	1,443	69	3 858	97	537	365	—	8,496
1957	2,350	1,378	83	4,395	106	490	385	—	8,887
1958	2,214	1,350	48	4,186	124	542	404	—	8,868
1959	2,444	1,615	74	4,651	224	604	434	—	10,046
1960	2,794	1,588	79	4,901	234	649	485	—	10,710
1961	2,944	1,649	116	5,159	256	710	531	—	11,385
1962	3,160	1,753	125	5,807	268	784	574	—	12,491
1963	3,387	1,891	127	6,115	274	885	629	—	13,308
1964	3,917	2,100	140	6,877	316	978	676	—	15,004
1965	4,431	2,197	167	7,741	377	1,080	768	—	16,761
1966	5,792	2,355	204	8,669	401	1,241	884	724	19,526
1967	7,009	2,396	218	9,489	447	1,495	922	904	21,978
1968	8,244	2,852	209	10,303	613	1,765	968	1,040	24,974
1969	10,055	3,221	234	11,423	838	2,257	1,113	1,190	29,141
1970	11,547	3,070	269	12,055	1,077	2,705	1,231	1,327	31,964
1971	13,042	3,346	278	13,048	1,107	3,180	1,334	1,478	35,335
1972	14,631	3,920	287	14,780	1,036	3,660	1,495	1,657	38,819
1973	17,041	5,080	322	16,686	1,072	4,388	1,710	1,875	46,297
1974	21,197	7,051	430	20,676	1,125	5,916	2,161	2,313	56,756
1975	24,070	7,486	485	21,442	1,139	7,112	2,525	2,780	64,239
1976	28,353	7,113	504	24,864	1,480	8,357	2,825	3,282	73,498
1977	31,538	7,256	534	27,227	1,671	9,927	3,157	3,886	81,310
1978	33,419	8,274	582	29,090	2,009	12,520	3,595	4,231	89,469
1979	36,839	10,107	754	32,620	2,218	14,835	4,099	4,867	101,472
1980	42,194	12,182	995	38,115	2,359	17,214	4,617	5,669	115,676
1981	51,796	11,696	1,110	45,899	2,628	18,886	5,400	6,533	137,385
1982	57,778	9,061	1,178	48,188	2,900	21,556	6,294	7,818	148,925

[1] Canada Pension Plan (CPP) and Quebec Pension Plan (QPP) employer-employee contributions and investment income included in total government direct taxes, persons, and investment income respectively.
[2] Includes CPP and QPP. Excludes intergovernmental transfers.
Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 49
Total Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1982

Year	Goods and services	National defence[1]	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance[2]	Transfers to non-residents	Total CPP and OPP[3]	Gross capital formation	Total expenditures[4]	Deficit or surplus
D	30560	31284	30665	30579	30572	30575	30578		30597		30609
					(Millions of dollars)						
1947	1,343	227	834	559	177	6	46	—	233	3,198	763
1948	1,454	236	857	558	75	10	32	—	392	3,378	722
1949	1,722	361	942	572	77	13	15	—	483	3,824	343
1950	1,928	493	1,023	544	64	10	14	—	497	4,080	554
1951	2,611	1,157	1,024	609	129	13	21	—	620	5,227	826
1952	3,620	1,800	1,343	651	102	14	28	—	847	6,605	57
1953	3,824	1,907	1,449	620	113	14	37	—	755	6,812	83
1954	3,825	1,727	1,626	650	89	13	23	—	865	7,091	–272
1955	4,036	1,760	1,719	664	86	8	36	—	949	7,498	–40
1956	4,426	1,802	1,746	718	127	27	42	—	1,138	8,224	272
1957	4,573	1,765	2,052	774	120	29	52	—	1,306	8,906	–19
1958	4,854	1,661	2,605	826	150	18	67	—	1,426	9,946	–1,078
1959	4,976	1,559	2,721	1,023	250	22	85	—	1,570	10,647	–601
1960	5,261	1,546	3,090	1,093	314	17	74	—	1,511	11,380	–670
1961	6,206	1,613	2,709	1,184	321	21	77	—	1,682	12,200	–835
1962	6,606	1,680	2,912	1,316	361	41	59	—	1,900	13,197	–706
1963	6,962	1,572	2,979	1,431	401	77	89	—	1,973	13,932	–624
1964	7,593	1,584	3,175	1,546	436	92	95	—	1,968	14,905	99
1965	8,358	1,559	3,423	1,675	457	92	119	—	2,430	16,554	207
1966	9,748	1,709	3,750	1,862	639	65	195	15	2,842	19,101	425
1967	11,153	1,805	4,667	2,081	637	91	217	17	2,982	21,828	148
1968	12,684	1,812	5,473	2,391	641	100	170	37	3,013	24,472	502
1969	14,241	1,799	6,161	2,767	701	110	185	77	3,061	27,226	1,915
1970	16,630	1,868	6,985	3,250	756	123	244	134	3,160	31,148	806
1971	18,368	1,926	8,255	3,622	772	225	249	200	3,714	35,205	130
1972	20,291	1,963	9,918	4,137	884	245	279	284	3,984	39,738	81
1973	23,037	2,174	11,196	4,788	1,088	326	318	406	4,290	45,045	1,252
1974	27,816	2,548	13,880	5,425	2,619	326	407	542	5,488	55,961	2,795
1975	33,380	2,780	17,080	6,538	3,858	486	592	777	6,354	68,288	–4,049
1976	38,325	3,220	19,483	8,101	3,344	564	542	1,099	6,359	76,718	–3,222
1977	43,374	3,693	22,220	9,268	3,320	662	638	1,428	6,833	86,315	–5,005
1978	47,811	4,080	25,025	11,536	3,527	769	1,013	1,782	7,198	98,881	–7,392
1979	52,301	4,245	28,508	13,795	4,805	842	767	2,174	7,457	106,475	–5,003
1980	58,536	4,936	30,204	15,897	7,103	946	817	2,667	8,346	121,851	–6,175
1981	66,749	5,743	34,679	20,492	8,272	1,017	875	3,286	9,326	141,410	–4,025
1982	75,748	6,989	42,630	25,238	7,600	2,588	1,059	4,022	10,694	165,557	–18,632

[1] Included in goods and services.
[2] From 1961 on, this item is treated as government current expenditures; prior to 1961, it was treated as a capital transfer.
[3] CPP and OPP goods and services expenditures and benefit payments included respectively in total government goods and services, and transfers to persons and non-residents.
[4] Includes CPP and OPP. Excludes intergovernmental transfers.

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 50
Federal Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1982

Year	Direct taxes, persons	Direct taxes, corporations	Withholding taxes	Indirect taxes	Transfers from persons	Investment income	Capital consumption allowances	Total revenues
D	30517	30523	30525	30527	30531	30536	30549	
				(Millions of dollars)				
1947	825	631	35	1,136	4	102	43	2,776
1948	875	568	41	1,086	6	91	50	2,717
1949	841	593	47	1,048	7	109	54	2,699
1950	806	847	54	1,115	7	133	58	3,020
1951	1,158	1,242	56	1,494	6	143	66	4,165
1952	1,461	1,294	55	1,594	7	205	71	4,687
1953	1,613	1,168	54	1,697	2	200	75	4,809
1954	1,622	1,051	58	1,612	1	187	77	4,606
1955	1,647	1,248	67	1,743	1	220	82	5,008
1956	1,910	1,364	69	1,970	1	296	88	5,698
1957	2,105	1,170	83	1,989	2	230	93	5,672
1958	1,965	1,105	48	1,906	2	285	98	5,409
1959	2,183	1,340	74	2,120	2	316	104	6,139
1960	2,503	1,308	79	2,177	3	336	111	6,517
1961	2,629	1,345	116	2,188	2	382	117	6,779
1962	2,605	1,314	125	2,400	1	410	124	6,979
1963	2,730	1,412	127	2,449	2	471	132	7,323
1964	3,129	1,575	140	2,845	2	525	139	8,355
1965	3,332	1,652	167	3,245	3	545	151	9,095
1966	3,634	1,774	204	3,570	3	632	167	9,984
1967	4,305	1,758	218	3,705	3	736	179	10,906
1968	5,125	2,107	209	3,761	4	821	191	12,218
1969	6,503	2,402	234	4,028	2	1,108	213	14,490
1970	7,436	2,276	269	4,034	2	1,279	232	15,528
1971	8,299	2,477	278	4,480	4	1,458	245	17,241
1972	9,285	2,901	287	5,121	5	1,684	277	19,560
1973	10,861	3,644	322	5,837	6	1,827	312	22,809
1974	13,538	5,012	430	8,495	8	2,116	379	29,978
1975	15,231	5,372	465	7,882	8	2,304	441	31,703
1976	18,042	5,046	504	8,601	11	2,606	501	35,313
1977	18,042	5,157	534	9,085	13	3,124	554	36,509
1978	17,708	5,813	582	9,750	15	3,879	643	38,390
1979	20,252	6,945	754	10,861	17	4,183	729	43,541
1980	23,456	8,425	995	12,131	17	4,816	806	50,646
1981	29,096	8,399	1,110	16,838	22	5,349	923	63,737
1982	32,254	6,745	1,178	17,324	24	6,294	1,055	64,874

Source: Statistics Canada, *National Income and Expenditure Accounts*.

Reference Table 51
Federal Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1982

Year	Goods and services	National defence[1]	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance[2]	Transfer payments to non-residents	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit(-) or surplus
D	30561	31284	30566	30580	30573	30576	41974	30801	30598		30610
					(Millions of dollars)						
1947	651	227	611	453	171	1	46	192	– 36	2,089	687
1948	628	236	570	453	71	1	32	150	47	1,952	765
1949	757	361	583	461	73	1	15	187	138	2,215	484
1950	923	493	615	427	60	1	14	251	79	2,370	650
1951	1,634	1,157	580	486	124	0	21	259	90	3,194	971
1952	2,315	1,800	975	515	96	2	28	368	193	4,492	195
1953	2,462	1,907	1,043	471	106	1	37	412	126	4,658	151
1954	2,316	1,727	1,165	482	84	1	23	430	153	4,654	– 46
1955	2,364	1,760	1,229	487	75	3	36	450	162	4,806	202
1956	2,517	1,802	1,221	516	118	16	42	485	185	5,100	598
1957	2,513	1,765	1,460	531	108	20	52	521	217	5,422	250
1958	2,524	1,661	1,893	568	131	13	67	663	317	6,176	– 767
1959	2,387	1,559	1,782	733	229	19	85	880	383	6,478	– 339
1960	2,426	1,546	1,973	753	283	15	74	994	228	6,746	– 229
1961	2,584	1,613	2,005	786	285	18	77	1,128	306	7,189	– 410
1962	2,688	1,680	2,110	865	322	38	59	1,134	270	7,486	– 507
1963	2,617	1,572	2,134	935	355	74	89	1,169	236	7,609	– 286
1964	2,750	1,584	2,241	995	379	89	95	1,252	209	8,010	345
1965	2,829	1,559	2,311	1,052	372	86	119	1,431	351	8,551	544
1966	3,267	1,709	2,484	1,151	500	62	195	1,664	430	9,753	231
1967	3,562	1,805	2,918	1,245	519	73	217	1,992	464	10,990	– 84
1968	3,883	1,812	3,295	1,409	522	78	170	2,372	500	12,229	– 11
1969	4,242	1,799	3,598	1,589	555	88	185	2,726	486	13,469	1,021
1970	4,551	1,868	4,057	1,862	589	97	244	3,397	465	15,262	266
1971	4,958	1,926	4,684	1,974	513	171	249	4,323	514	17,386	– 145
1972	5,452	1,963	6,186	2,253	596	181	277	4,558	623	20,126	– 566
1973	6,087	2,174	7,008	2,518	738	227	315	4,807	722	22,422	387
1974	7,408	2,548	8,705	2,961	2,060	193	403	6,165	974	28,869	1,109
1975	8,326	2,780	10,620	3,705	3,183	288	588	7,670	1,125	35,508	– 3,805
1976	9,670	3,220	11,533	4,519	2,398	367	537	8,522	1,158	38,704	– 3,391
1977	11,143	3,693	13,089	5,101	2,222	497	630	9,967	1,163	43,812	– 7,303
1978	12,018	4,080	14,647	6,410	2,301	615	1,003	10,875	1,206	49,075	– 10,685
1979	12,793	4,245	14,657	8,080	3,225	629	756	11,754	911	52,805	– 9,264
1980	13,802	4,936	16,470	9,653	5,523	708	804	12,831	1,008	60,799	– 10,153
1981	16,365	5,743	18,785	13,351	6,494	760	859	14,073	1,029	71,716	– 7,979
1982	18,636	6,969	24,644	16,440	5,649	2,288	1,039	15,768	1,493	85,957	– 21,083

(1) Included in goods and services.
(2) See note 2 on reference table 49.

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 52

Federal Government Expenditure by Envelope
Expenditure Management System Basis

	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82
	(Millions of dollars)					
Energy	1,631	1,554	1,398	2,362	3,624	1,608
Economic development	4,739	4,996	5,024	5,371	5,183	6,899
Social affairs	18,605	20,408	22,114	22,690	24,633	27,579
Justice and legal	773	915	1,014	1,037	1,213	1,384
Fiscal transfers	3,184	3,196	2,999	3,635	3,908	4,734
External affairs	1,123	1,257	1,353	1,404	1,421	1,702
Defence	3,382	3,785	4,108	4,389	5,058	6,031
Parliament	73	89	92	99	130	151
Services to government	2,150	2,402	2,481	2,333	2,732	3,657
Sub-total	35,660	38,602	40,583	43,320	47,902	53,745
Public debt	4,721	5,550	7,058	8,524	10,687	15,168
Total outlays	40,381	44,152	47,641	51,844	58,589	68,913

Note: Figures for all years are on a consistant basis; the Post Office is treated as a Crown Corporation.
Source: Department of Finance and 1983-84 Main Estimates, Part I.

Reference Table 53
Federal Government Debt
Public Accounts Basis[1]

Year	Gross debt	Net debt	Unmatured debt	Public debt charges	
				Gross	Net
			(Millions of dollars)		
1952	16,729	11,185	13,949	531	413
1957	17,586	11,009	13,573	534	327
1962[2]	21,728	14,767	16,883	839	532
1963	23,080	15,522	17,950	918	606
1964	24,828	16,657	18,739	994	627
1965	25,920	16,986	18,934	1,051	629
1966	26,590	16,745	18,966	1,111	673
1967	28,105	17,013	19,681	1,191	671
1968	29,708	17,713	20,284	1,301	689
1969	31,971	18,117	21,725	1,480	785
1970	33,178	17,621	22,184	1,717	857
1971	36,774	18,030	24,886	1,920	920
1972	40,238	18,811	27,259	2,137	1,004
1973	43,252	19,810	29,039	2,301	1,036
1974	45,677	21,194	29,171	2,566	1,077
1975	50,997	22,927	33,086	3,239	1,408
1976	58,025	28,390	37,697	3,972	1,875
1977	65,761	34,600	42,519	4,721	2,309
1978	78,528	44,889	51,567	5,550	2,958
1979	95,702	57,115	66,591	7,058	3,902
1980	103,626	68,595	72,121	8,524	5,180
1981	118,461	81,263	83,149	10,687	6,557
1982	134,107	94,869	92,353	15,168	10,073
			(Per cent of GNP)[3]		
1952	77.3	51.7	64.5	2.5	1.9
1957	54.9	34.3	42.3	1.7	1.0
1962	54.8	37.2	42.6	2.1	1.3
1963	53.8	36.2	41.8	2.1	1.4
1964	54.0	36.2	40.8	2.2	1.4
1965	51.6	33.8	37.7	2.1	1.3
1966	48.0	30.2	34.3	2.0	1.2
1967	45.5	27.5	31.8	1.9	1.1
1968	44.7	26.7	30.5	2.0	1.0
1969	44.0	25.0	29.9	2.0	1.1
1970	41.6	22.1	27.8	2.2	1.1
1971	42.9	21.0	29.0	2.2	1.1
1972	42.6	19.9	28.9	2.3	1.1
1973	41.1	18.8	27.6	2.2	1.0
1974	37.0	17.2	23.6	2.1	0.9
1975	34.6	15.5	22.4	2.2	1.0
1976	35.1	17.2	22.8	2.4	1.1
1977	34.4	18.1	22.3	2.5	1.2
1978	37.6	21.5	24.7	2.7	1.4
1979	41.5	24.8	28.9	3.1	1.7
1980	39.6	26.2	27.6	3.3	2.0
1981	40.6	27.8	28.5	3.7	2.2
1982	40.5	28.6	27.9	4.6	3.0

[1] As at March 31 of each year.
[2] Data for gross debt and net debt for years prior to 1962 are not entirely consistent with those for later years due to changes in accounting practices. Revised data are available only from March 1962.
[3] Calculated using GNP of calendar year preceding the fiscal year end.

Source: *Public Accounts of Canada.*

Reference Table 54

Actual and Cyclically Adjusted Budget Balances
Federal and Consolidated Government Sectors
National Income and Expenditure Accounts Basis
1954 – 1982

Year	Actual balances (surplus or deficit (–))		Cyclically adjusted balances (surplus or deficit (–))		Actual balances (surplus or deficit (–))		Cyclically adjusted balances (surplus or deficit (–))	
	Federal government	All governments	Federal government	All governments	Federal government	All governments	Federal government	All governments
	(Millions of dollars)				(Per cent of GNP)[1]			
1954	–46	–272	40	–176	–0.2	–1.1	0.2	–0.7
1955	202	–40	36	–223	0.7	–0.1	0.1	–0.8
1956	598	272	102	–273	1.9	0.9	0.3	–0.9
1957	250	–19	54	–249	0.8	–0.1	0.2	–0.8
1958	–767	–1,078	–543	–843	–2.2	–3.1	–1.6	–2.4
1959	–339	–601	–114	–349	–0.9	–1.6	–0.3	–0.9
1960	–229	–670	218	–167	–0.6	–1.8	0.6	–0.4
1961	–410	–835	240	–85	–1.0	–2.1	0.6	–0.2
1962	–507	–706	–162	–281	–1.2	–1.6	–0.4	–0.6
1963	–286	–624	–27	–297	–0.6	–1.4	–0.1	–0.6
1964	345	99	348	108	0.7	0.2	0.7	0.2
1965	544	207	368	–7	1.0	0.4	0.7	–0.0
1966	231	425	–215	–147	0.4	0.7	–0.4	–0.2
1967	–84	148	–253	–50	–0.1	0.2	–0.4	–0.1
1968	–11	502	–158	312	–0.0	0.7	–0.2	0.4
1969	1,021	1,915	738	1,550	1.3	2.4	0.9	2.0
1970	266	806	527	1,181	0.3	0.9	0.6	1.4
Average 1961 to 1970	111	194	141	228	0.1	0.0	0.2	0.2
1971	–145	130	0	317	–0.2	0.1	0.0	0.3
1972	–566	81	–665	–91	–0.5	0.1	–0.6	–0.1
1973	387	1,252	–590	–80	0.3	1.0	–0.5	–0.1
1974	1,109	2,795	–455	772	0.8	1.9	–0.3	0.5
1975	–3,805	–4,049	–3,847	–4,041	–2.3	–2.5	–2.3	–2.4
1976	–3,391	–3,222	–4,060	–4,132	–1.8	–1.7	–2.2	–2.2
1977	–7,303	–5,005	–6,812	–4,387	–3.5	–2.4	–3.2	–2.1
1978	–10,686	–7,393	–9,867	–6 386	–4.6	–3.2	–4.3	–2.8
1979	–9,264	–5,003	–8,904	–4,431	–3.5	–1.9	–3.4	–1.7
1980	–10,153	–6,175	–8,191	–3,135	–3.5	–2.1	–2.7	–1.0
Average 1971 to 1980	–4,382	–2,659	–4,319	–2,559	–1.9	–1.1	–2.0	–1.2
1981	–7,979	–4,025	–6,191	1,347	–2.4	–1.2	–1.8	–0.4
1982	–21,083	–18,639	–11,705	–5,278	–6.0	–5.3	–3.1	–1.4

(1) Actual balances are taken as a percentage of actual GNP while cyclically adjusted balances are taken as a percentage of cyclically adjusted GNP.

(2) The 1982 cyclically-adjusted budget balances are calculated on the assumption that the cyclically-adjusted level of output grew by 2.3 per cent in 1982 and that the unemployment rate was 7.0 per cent.

Source: Statistics Canada, *National Income and Expenditure Accounts*, and Department of Finance.

Reference Table 55

Provincial Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1982

Year	Direct taxes persons	Direct taxes corporations	Indirect taxes	Transfers from persons	Investment income	Transfers from other levels of government	Capital consumption allowances	Total revenues
D	40060 40298	40067 40305	40072 40310	40076 40314	40081 40319		40101 40339	
				(Millions of dollars)				
1947	97	71	359	28	101	199	44	899
1948	105	119	418	37	111	159	53	1,002
1949	109	130	462	46	79	197	59	1,082
1950	102	146	515	51	89	261	62	1,226
1951	121	189	575	60	117	270	80	1,412
1952	127	109	607	61	140	378	81	1,503
1953	135	76	652	64	154	424	83	1,588
1954	154	64	690	56	165	443	88	1,660
1955	208	62	762	59	186	465	100	1,842
1956	217	79	864	72	221	494	125	2,072
1957	245	208	958	78	240	533	129	2,391
1958	249	245	1,016	94	234	657	132	2,627
1959	261	275	1,087	191	264	880	143	3,101
1960	291	280	1,131	197	287	979	154	3,319
1961	315	304	1,270	211	298	1,110	156	3,664
1962	575	439	1,572	217	341	1,105	172	4,421
1963	657	479	1,713	225	372	1,134	193	4,773
1964	788	525	2,006	261	398	1,217	211	5,406
1965	1,099	545	2,265	313	474	1,379	253	6,328
1966	1,444	581	2,622	331	516	1,593	288	7,375
1967	1,855	638	3,019	367	603	1,951	300	8,733
1968	2,194	745	3,447	541	720	2,320	319	10,286
1969	2,545	819	3,933	776	863	2,678	357	11,971
1970	3,057	794	4,263	1,007	1,032	3,347	395	13,895
1971	3,640	869	4,566	1,031	1,202	4,274	436	16,018
1972	4,156	1,019	5,261	956	1,380	4,449	481	17,702
1973	4,875	1,436	6,198	984	1,812	4,734	575	20,614
1974	6,051	2,039	7,236	1,038	2,897	6,054	778	26,093
1975	6,933	2,114	7,547	1,046	3,701	7,577	912	29,830
1976	8,106	2,067	9,077	1,348	4,375	8,369	1,001	34,343
1977	11,083	2,099	10,039	1,521	5,200	9,665	1,113	40,720
1978	12,985	2,461	10,419	1,849	6,693	10,591	1,260	46,258
1979	13,500	3,162	11,922	2,045	8,380	11,515	1,426	51,950
1980	15,197	3,757	12,929	2,175	9,724	12,614	1,629	58,025
1981	18,729	3,267	14,828	2,419	10,369	13,890	1,929	65,431
1982	20,772	2,316	17,219	2,669	11,541	15,591	2,248	72,356

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 56

Provincial Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1982

Year	Goods and services	Transfers to persons	Interest on the public debt	Subsidies	Capital assistance	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit (-) or surplus
D	40114 40352	40119 40357	40133 40371	40126 40364	40129 40367		40158 40396		40170 40408
				(Millions of dollars)					
1947	268	204	68	6	5	101	152	804	95
1948	318	266	68	4	9	129	193	987	15
1949	387	336	72	4	12	157	172	1,140	–58
1950	391	384	75	4	9	171	196	1,230	–4
1951	470	416	78	5	13	197	229	1,408	4
1952	502	334	83	6	12	215	290	1,442	61
1953	498	368	88	7	13	242	265	1,481	107
1954	519	417	94	5	12	259	301	1,€ 7	53
1955	578	449	93	11	5	327	351	1,814	28
1956	688	485	101	9	11	362	460	2,116	–44
1957	703	547	116	12	9	452	536	2,375	16
1958	816	658	115	19	5	545	519	2,677	–50
1959	907	874	121	21	3	622	566	3,114	–13
1960	986	1,044	143	31	2	714	612	3,532	–213
1961	1,040	625	160	36	3	1,535	546	3,945	–281
1962	1,063	718	184	39	3	1,845	625	4,477	–56
1963	1,209	759	212	46	3	1,984	659	4,872	–99
1964	1,322	849	238	57	3	2,242	776	5,487	–81
1965	1,507	1,024	271	85	6	2,560	875	6,328	0
1966	1,890	1,173	317	139	3	3,041	986	7,549	–174
1967	2,307	1,647	385	118	18	3,546	1,046	9,067	–334
1968	2,716	2,030	485	119	22	4,012	958	10,342	–56
1969	2,957	2,369	638	146	22	4,495	1,025	11,652	319
1970	4,109	2,611	759	167	26	5,406	1,046	14,124	–229
1971	4,708	3,139	920	259	54	5,999	1,409	16,488	–470
1972	5,297	3,238	1,127	288	64	6,823	1,556	18,393	–691
1973	6,112	3,574	1,404	350	99	7,540	1,637	20,716	–102
1974	7,539	4,464	1,545	559	133	9,132	2,069	25,441	652
1975	9,634	5,482	1,839	675	198	11,340	2,418	31,586	–1,756
1976	10,796	6,642	2,327	946	197	12,796	2,182	35,886	–1,543
1977	12,410	7,507	2,690	1,098	165	15,200	2,384	41,454	–734
1978	13,990	8,368	3,399	1,226	154	15,719	2,653	45,509	749
1979	15,741	9,422	3,856	1,580	213	18,232	2,940	51,984	–34
1980	17,647	10,774	4,253	1,580	238	19,343	3,162	56,997	1,028
1981	19,039	12,311	4,933	1,778	257	21,504	3,612	63,434	1,997
1982	21,155	13,629	6,245	1,951	300	24,659	4,081	72,020	336

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 57

Local Government Revenues
National Income and Expenditure Accounts Basis
1947 – 1982

Year	Direct taxes	Indirect taxes	Investment income	Transfers from persons	Transfers from other levels of government	Capital consumption allowances	Total revenues
D		40073 40311	40082 40320	40077 40315		40102 40340	
			(Millions of dollars)				
1947	5	360	58	3	101	59	586
1948	6	403	59	4	129	68	669
1949	6	445	54	4	157	74	740
1950	7	499	58	4	172	81	821
1951	—	608	25	11	199	102	945
1952	—	700	23	14	218	113	1,068
1953	—	758	24	18	245	122	1,167
1954	—	829	21	16	261	128	1,255
1955	—	902	14	19	334	138	1,407
1956	—	1,024	20	24	371	152	1,591
1957	—	1,148	20	26	468	163	1,825
1958	—	1,264	23	28	568	174	2,057
1959	—	1,444	24	31	646	187	2,332
1960	—	1,593	26	34	746	200	2,599
1961	—	1,701	28	41	874	212	2,856
1962	—	1,835	31	47	1,107	229	3,249
1963	—	1,953	39	44	1,200	250	3,486
1964	—	2,026	52	50	1,342	268	3,738
1965	—	2,231	58	58	1,514	299	4,160
1966	—	2,477	79	64	1,868	336	4,824
1967	—	2,765	95	74	2,122	364	5,420
1968	—	3,095	105	65	2,354	393	6,012
1969	—	3,462	99	56	2,595	450	6,662
1970	—	3,758	116	64	3,192	500	7,630
1971	—	4,002	140	68	3,583	538	8,331
1972	—	4,378	153	71	4,069	612	9,283
1973	—	4,651	170	78	4,501	683	10,083
1974	—	5,145	187	75	5,308	840	11,555
1975	—	6,013	223	81	6,703	986	14,006
1976	—	7,186	271	99	7,367	1,118	16,041
1977	—	8,103	317	112	9,197	1,263	18,992
1978	—	8,921	405	118	9,424	1,427	20,295
1979	—	10,037	437	127	11,261	1,640	23,502
1980	—	11,055	466	133	11,652	1,840	25,146
1981	—	12,233	506	149	12,864	2,152	27,904
1982	—	13,645	537	161	14,507	2,505	31,355

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 58

Local Government Expenditures
National Income and Expenditure Accounts Basis
1947 – 1982

Year	Goods and services	Transfers to persons	Interest on the public debt	Transfers to other levels of government	Gross capital formation	Total expenditures	Deficit(-) or surplus
D	40115 40353	40120 40359	40134 40372		40159 40397		40171 40409
				(Millions of dollars)			
1947	424	19	38	7	117	605	– 19
1948	508	21	37	9	152	727	– 58
1949	578	23	39	10	173	823	– 83
1950	614	24	42	11	222	913	– 92
1951	707	28	45	13	301	1,094	– 149
1952	803	34	53	13	364	1,267	– 199
1953	864	38	61	15	364	1,342	– 175
1954	990	44	74	15	411	1,534	– 279
1955	1,094	41	84	22	436	1,677	– 270
1956	1,221	40	101	18	493	1,873	– 282
1957	1,357	45	127	26	553	2,110	– 285
1958	1,514	54	143	17	590	2,318	– 261
1959	1,682	65	169	24	641	2,581	– 249
1960	1,869	73	197	17	671	2,827	– 228
1961	1,968	79	223	34	680	2,984	– 128
1962	2,174	84	251	28	847	3,384	– 135
1963	2,373	86	266	33	926	3,684	– 198
1964	2,635	85	294	31	834	3,879	– 141
1965	3,015	88	333	37	1,054	4,527	– 367
1966	3,399	93	373	51	1,235	5,151	– 327
1967	3,881	102	430	70	1,274	5,757	– 337
1968	4,438	133	475	64	1,338	6,448	– 436
1969	5,142	143	516	66	1,337	7,204	– 542
1970	5,803	213	595	64	1,425	8,100	– 470
1971	6,277	260	695	64	1,550	8,846	– 515
1972	6,836	246	721	69	1,582	9,454	– 171
1973	7,757	250	825	60	1,676	10,568	– 485
1974	9,072	216	873	61	2,152	12,374	– 819
1975	10,801	257	943	70	2,503	14,574	– 568
1976	12,600	272	1,194	71	2,673	16,810	– 789
1977	14,144	268	1,411	70	2,940	18,833	159
1978	15,555	309	1,663	84	2,934	20,545	– 250
1979	16,935	340	1,786	116	3,218	22,395	1,107
1980	18,989	393	1,910	102	3,674	25,068	78
1981	21,930	433	2,119	132	4,155	28,769	– 865
1982	25,278	478	2,451	97	4,535	32,839	– 1,484

Source: Statistics Canada, *National Income and Expenditure Accounts*

Reference Table 59

Hospital Revenues and Expenditures
National Income and Expenditure Accounts Basis
1961 – 1982

Year	Revenues					Expenditures				Deficit(-) or surplus
	Investment income	Transfers from other levels of government	Transfers from persons	Capital consumption allowances	Total revenues	Goods and services	Interest on the public debt	Gross capital formation	Total expenditures	
D	40083 40321		40078 40316	40103 40341		40116 40354	40555 40558	40160 40398		40172 40410
	(Millions of dollars)									
1961	2	713	2	46	763	614	15	150	779	– 16
1962	2	795	3	49	849	683	16	158	857	– 8
1963	3	852	3	54	912	783	18	152	953	– 41
1964	3	966	3	58	1,030	886	19	149	1,054	– 24
1965	3	1,135	3	65	1,206	1,007	19	150	1,176	30
1966	4	1,295	3	73	1,375	1,177	21	191	1,389	– 14
1967	4	1,535	3	79	1,621	1,386	21	198	1,605	16
1968	4	1,774	3	85	1,866	1,625	22	217	1,864	2
1969	4	2,014	4	93	2,115	1,874	24	213	2,111	4
1970	5	2,328	4	104	2,441	2,137	34	224	2,395	46
1971	5	2,529	4	115	2,653	2,397	33	241	2,671	– 18
1972	6	2,932	4	125	3,067	2,672	36	223	2,931	136
1973	7	3,172	4	140	3,323	3,044	41	255	3,340	– 17
1974	11	3,996	4	164	4,175	3,754	46	293	4,093	82
1975	10	4,800	4	186	5,000	4,564	51	308	4,923	77
1976	26	5,653	22	205	5,906	5,201	61	346	5,608	298
1977	33	6,375	25	227	6,660	5,613	66	346	6,025	635
1978	38	6,663	27	265	6,993	6,177	66	405	6,648	345
1979	55	7,326	29	304	7,714	6,758	73	388	7,219	495
1980	80	8,010	34	342	8,466	8,013	81	502	8,596	– 130
1981	100	8,955	38	396	9,489	9,295	89	530	9,914	– 425
1982	120	10,426	46	456	11,048	10,556	102	585	11,243	– 195

Source: Statistics Canada, *National Income and Expenditure Accounts.*

Reference Table 60
Federal Government
Liabilities and Assets
Financial Flow Accounts Basis
1966 – 1981

	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
	(Millions of dollars)															
Liabilities																
Currency and deposits	344	380	446	480	504	529	554	618	704	773	821	882	962	1,050	1,111	1,169
Payables	41	32	34	50	62	65	57	50	81	92	68	119	173	167	175	146
Loans	164	271	209	65	11	59	85	147	207	262	250	253	3,832	2,104	2,797	1,817
Pensions[1]	1,280	1,284	1,285	1,283	1,277	1,266	1,265	1,238	1,218	1,197	1,173	1,187	1,162	1,149	1,136	1,117
Claims by associated enterprises	96	73	100	118	132	147	167	184	243	313	331	353	440	477	658	825
Other liabilities	865	1,006	1,281	1,173	1,581	1,856	2,558	2,703	3,442	3,860	3,965	3,567	4,342	4,892	5,679	9,027
Unmatured debt	19,728	20,779	22,231	22,797	24,655	27,431	29,021	28,915	33,294	37,280	41,468	49,601	60,208	68,334	80,295	92,656
Total liabilities	22,518	23,825	25,586	25,966	28,222	31,353	33,707	33,855	39,189	43,777	48,076	55,962	71,119	78,173	92,851	106,757
Financial assets																
Currency and deposits	671	335	336	1,057	1,143	1,905	2,163	1,687	4,246	3,494	2,671	4,020	5,985	1,709	3,453	6,765
Receivables	6	6	6	8	9	10	19	20	30	52	55	77	105	153	192	150
Loans	1,880	2,053	2,270	2,445	2,648	3,085	3,412	4,076	4,565	5,083	5,493	6,095	6,570	7,243	7,701	7,961
Finance and other short-term paper	7	12	10	11	6	8	13	12	12	18	18	26	18	6	11	14
Mortgages	343	404	457	525	548	556	553	552	569	554	519	479	427	377	337	300
Bonds and treasury bills																
Federal government	482	419	544	559	511	33	39	20	20	20	31	25	19	162	85	102
Provincial governments	15	12	21	20	12	18	15	17	15	14	12	14	16	17	14	16
Municipal bonds	9	7	—	—	11	—	—	—	—	—	—	—	—	—	—	—
Other	10	8	14	19	23	25	27	29	35	39	37	36	29	30	34	34
Claims on associated enterprises	10,111	11,500	12,625	13,459	15,688	17,744	18,900	19,189	21,113	22,280	23,974	24,893	26,821	27,863	30,207	32,073
Stocks	10	15	19	26	53	76	100	127	154	187	64	58	58	54	55	378
Foreign investments	180	168	92	60	28	3	5	5	13	6	5	4	3	5	9	8
Other financial assets	1,573	1,533	1,763	1,433	1,208	1,394	1,602	1,921	2,838	2,930	2,456	1,911	2,300	2,883	2,303	2,089
Total financial assets	15,297	16,472	18,157	19,622	21,888	24,857	26,848	27,655	33,610	34,677	35,335	37,638	42,351	40,502	44,401	49,890
Excess of liabilities over financial assets	7,221	7,353	7,429	6,344	6,334	6,496	6,859	6,200	5,579	9,100	12,741	18,324	28,768	37,671	48,450	56,867

(1) This mainly represents the balance in government annuities.

Source: Statistics Canada, *Financial Flow Accounts*.

Reference Table 61
Provincial and Local Governments and Hospitals
Liabilities and Assets
Financial Flow Accounts Basis
1966 – 1981

	1966	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981
								(Millions of dollars)								
Liabilities																
Payables	343	423	475	502	653	656	755	791	1,012	1,158	1,319	2,003	2,228	3,057	3,108	3,039
Loans	1,383	1,592	1,761	1,967	2,198	2,158	2,520	3,245	4,139	4,626	4,730	4,994	5,537	5,859	6,793	7,883
Finance and other short-term paper	—	—	—	118	174	313	435	343	230	634	318	297	505	280	609	1,170
Mortgages	99	121	190	143	159	157	177	158	168	187	136	57	38	15	—	—
Claims by associated enterprises	66	73	80	77	191	232	385	353	437	549	714	627	728	818	1,155	1,255
Other liabilities	1,603	1,643	1,655	1,685	1,892	1,999	1,717	2,386	2,621	2,658	3,348	3,171	3,457	3,322	2,862	3,063
Unmatured debt																
Provincial governments	6,885	6,098	9,431	10,757	12,208	13,774	15,860	17,443	19,729	23,451	27,219	31,738	36,390	40,140	45,368	52,504
Municipal governments	6,615	7,527	8,147	8,674	9,221	10,025	10,679	11,372	12,278	13,878	15,219	17,243	18,428	19,307	20,428	21,562
Other	311	342	351	391	386	400	408	412	448	474	509	536	586	645	433	449
Total liabilities	17,307	19,819	22,090	24,334	27,084	29,714	32,936	36,503	41,062	47,615	53,512	60,666	67,897	73,443	80,756	90,925
Financial assets																
Currency and deposits	690	647	791	1,256	1,529	1,422	2,123	2,361	2,597	1,953	2,797	3,945	4,983	7,509	7,397	10,328
Receivables	121	145	160	188	224	240	295	301	358	525	659	818	593	579	565	551
Loans	344	472	555	631	1,458	1,746	1,950	2,183	2,316	2,567	2,810	2,631	2,750	2,873	2,987	3,285
Finance and other short-term paper	16	14	17	21	34	45	66	79	83	85	163	463	597	594	591	588
Mortgages	277	284	356	462	660	924	1,103	1,291	1,560	1,922	2,261	2,545	2,781	2,784	2,969	3,243
Bonds and treasury bills																
Federal government	318	293	326	305	268	238	217	207	186	214	352	607	1,293	1,792	3,230	3,135
Provincial governments	1,555	1,647	1,712	1,919	1,889	1,892	1,994	2,136	2,452	3,248	3,921	4,969	6,070	6,478	8,680	11,563
Municipal governments	1,397	1,758	2,138	2,472	2,870	3,237	3,547	3,774	4,328	4,847	5,422	5,974	6,579	6,619	7,589	8,624
Other	434	525	692	948	238	314	303	260	286	476	744	1,057	1,153	1,232	1,409	1,402
Claims on associated enterprises	3,667	4,119	4,585	5,242	6,357	6,913	7,547	8,386	9,924	11,377	12,485	15,117	17,492	18,475	19,555	21,932
Stocks	13	16	31	45	168	173	159	124	213	229	252	216	254	275	298	966
Other financial assets	2,229	2,270	2,428	2,534	2,564	2,772	2,287	3,425	4,145	3,851	3,449	3,284	4,818	6,855	8,640	9,519
Total financial assets	11,061	12,190	13,791	16,023	18,259	19,916	21,591	24,527	28,468	31,294	35,335	41,446	49,363	56,065	64,110	75,136
Excess of liabilities over financial assets	6,246	7,629	8,299	8,311	8,825	9,798	11,345	11,976	12,594	16,321	18,177	19,220	18,534	17,378	16,646	15,789

Source: Statistics Canada, *Financial Flow Accounts.*

Reference Table 62
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1973 – 1982
Summary[1]

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
I Budgetary transactions					(Millions of dollars)					
A Revenues	18,351	21,346	27,581	29,512	32,020	32,093	34,313	38,936	45,398	54,068
B Expenditures	−19,350	−22,730	−29,314	−34,975	−38,230	−42,382	−46,539	−50,416	−58,066	−67,674
Surplus or deficit (−)	−999	−1,384	−1,733	−5,463	−6,210	−10,289	−12,226	−11,480	−12,668	−13,606
II Non-budgetary transactions										
A Loans, investments and advances	−1,210	−1,337	−1,948	−2,915	−2,151	−1,770	−1,102	−1,428	−523	−1,239
B Specified purpose accounts	542	697	1,316	1,919	2,014	2,771	2,780	2,047	2,781	4,345
C Other transactions	359	507	226	1,685	799	839	−565	416	293	2,189
Net source or requirement (−)	−309	−133	−406	689	662	1,840	1,113	1,035	2,551	5,275
Financial requirements (excluding foreign exchange)	−1,308	−1,517	−2,139	−4,774	−5,548	−8,449	−11,113	−10,445	−10,117	−8,331
III Foreign exchange transactions	−75	131	593	−5	1,281	1,186	4,262	−128	1,157	−347
Total financial requirements[2]	−1,383	−1,386	−1,546	−4,779	−4,267	−7,263	−6,851	−10,573	−8,960	−8,678
IV Unmatured debt transactions[3]	1,782	197	3,940	4,627	4,812	8,172	8,778	7,878	11,153	9,367
Change in cash balance[4]	399	−1,189	2,394	−152	545	909	1,927	−2,695	2,193	689
V Level of cash balance at end of period	1,999	810	3,204	3,052	3,597	4,506	6,433	3,738	5,931	6,620
Canadian dollar balance	1,984	801	3,186	3,037	3,580	4,487	6,374	3,661	5,826	6,584

(1) The Post Office is treated as a Crown Corporation.
(2) Cash requirement (−).
(3) Excluding change in unmatured debt outstanding payable in foreign currency.
(4) Cash decrease (−).

Reference Table 62 (continued)
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1973 – 1982

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
					(Millions of dollars)					
I Budgetary transactions										
A Revenues										
Personal income tax	8,378	9,226	11,710	12,709	14,634	13,988	14,656	16,808	19,837	24,046
Corporate income tax	2,920	3,710	4,836	5,748	5,363	5,280	5,654	6,951	8,106	8,118
Other direct taxes	353	338	434	493	451	503	568	787	894	1,882
Sales tax	3,052	3,590	3,866	3,515	3,929	4,427	4,729	4,698	5,429	6,185
Other indirect taxes	2,220	2,765	4,640	4,626	4,778	4,762	5,045	5,664	6,384	7,724
Non-tax revenues	1,428	1,717	2,095	2,419	2,865	3,133	3,661	4,028	4,748	6,113
Total revenues	18,351	21,346	27,581	29,512	32,020	32,093	34,313	38,936	45,398	54,068
B Expenditures										
Health and welfare	7,047	8,135	10,286	12,534	13,873	14,773	16,642	16,876	18,721	20,964
Economic development and support	2,451	2,903	4,290	5,474	5,120	5,624	5,174	6,462	8,118	7,153
Public debt	2,301	2,566	3,239	3,972	4,721	5,550	7,058	8,524	10,687	15,168
Defence	2,366	2,775	3,162	3,632	4,161	4,626	4,999	5,333	6,067	7,169
Fiscal transfer payments to provinces	1,304	1,678	2,399	2,378	2,966	3,101	2,921	3,424	3,643	4,393
Transportation and communications	747	1,211	1,727	1,913	2,043	2,137	2,227	2,096	2,524	3,215
General government services	813	965	1,237	1,509	1,688	1,969	2,143	2,289	2,452	3,003
Internal overhead	797	728	889	989	1,104	1,308	1,452	1,332	1,419	1,832
Education assistance	588	617	641	701	872	1,402	1,666	1,798	1,884	1,926
Culture and recreation	435	559	638	681	712	883	1,053	1,018	1,163	1,370
Foreign affairs	405	477	625	754	790	910	960	1,053	1,081	1,281
Total allocated expenditures	19,254	22,614	29,133	34,537	38,050	42,283	46,295	50,205	57,759	67,474
Provision for valuation of assets and liabilities	96	116	181	438	180	99	244	211	307	200
Total expenditures	19,350	22,730	29,314	34,975	38,230	42,382	46,539	50,416	58,066	67,674
Budgetary surplus or deficit (-)	– 999	– 1,384	– 1,733	– 5,463	– 6,210	– 10,289	– 12,226	– 11,480	– 12,668	– 13,606

Reference Table 62 (continued)
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1973 – 1982

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
					(Millions of dollars)					
II Non-budgetary transactions										
A Loans, investments and advances										
Crown corporations and agencies										
Lending institutions	(–642)	(–686)	(–1,071)	(–1,909)	(–1,623)	(–1,144)	(–637)	(–962)	(–216)	(–619)
Canada Deposit Insurance Corporation	—	—	—	—	—	10	—	—	—	–200
Canada Mortgage and Housing Corporation	–475	–375	–735	–1,058	–837	–532	–52	–366	–66	–199
Export Development Corporation	–124	–141	–93	–357	–202	–84	–51	–44	19	3
Farm Credit Corporation	–43	–170	–243	–297	–277	–297	–267	–307	–270	–348
Federal Business Development Bank	—	—	—	–197	–307	–241	–267	–245	101	125
All other Crown corporations	(–110)	(–339)	(–492)	(–925)	(–393)	(–323)	(–489)	(–373)	(537)	(–466)
Air Canada	14	—	–145	3	83	3	–341	16	13	14
Atomic Energy of Canada	–59	–44	–81	–202	–149	–201	–242	–216	697	8
Canadian National Railways	2	–205	–143	–213	–40	–99	385	–108	–8	—
Petro-Canada	—	—	—	–237	–257	–150	–280	–80	–440	–129
Other	–67	–90	–123	–276	–30	124	–11	15	275	–359
Other loans	(–554)	(–428)	(–566)	(–519)	(–315)	(–402)	(–220)	(–304)	(–114)	(–354)
Finance-employment loans	–135	–108	–67	–47	45	14	8	8	8	9
Regional Economic Expansion	–64	–61	–52	–29	–17	4	–2	8	7	9
Canada Development Corporation	–182	–75	–50	—	–10	—	—	—	—	—
Loans to developing countries	–117	–141	–179	–215	–162	–198	–239	–242	–254	–282
International organizations	–55	–55	–97	–181	–159	–179	–173	–134	–110	–186
Other	–21	12	–121	–47	–12	–43	186	56	235	76
Total loans, investments and advances not including allowance	–1,306	–1,453	–2,129	–3,353	–2,331	–1,869	–1,346	–1,639	207	–1,439
Allowance for valuation	96	116	181	438	180	99	244	211	–730	200
Total loans, investments and advances	–1,210	–1,337	–1,948	–2,915	–2,151	–1,770	–1,102	–1,428	–523	–1,239
B Specified purpose accounts										
Canada Pension Plan	43	41	53	76	98	93	124	113	173	170
Unemployment insurance account	–370	–262	136	234	276	261	271	–150	–682	–15
Superannuation accounts	859	1,001	1,261	1,502	1,656	1,888	1,956	1,986	2,307	3,014
Government annuities	–13	–19	–21	–10	–1	–9	–10	–14	–15	–21
Other	4	8	12	20	24	34	36	28	29	49
Total annuity, insurance and pension accounts	523	749	1,441	1,822	2,053	2,267	2,377	1,943	1,812	3,197
Provincial tax collection account	8	–44	–198	67	–121	330	366	118	728	–56
Other deposit and trust accounts	11	–8	71	30	82	174	37	–14	241	1,204
Total deposit and trust accounts	19	–52	–125	97	–39	504	403	104	969	1,148
Total specified purpose accounts	542	697	1,316	1,919	2,014	2,771	2,780	2,047	2,781	4,345

Reference Table 62 (continued)
Government of Canada
Statement of Financial Transactions
(Fiscal year ended March 31)
1973 – 1982

	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
					(Millions of dollars)					
C Other transactions										
Interest and matured debt	349	294	455	667	696	904	–509	–38	186	1,933
Accounts payable and accrued salaries	105	444	–109	–33	623	–521	214	91	772	178
Cash in transit	–104	–854	–72	665	–169	–188	3	–130	–693	16
Outstanding cheques, warrants and money orders	16	539	5	366	–361	632	–243	506	9	29
Other	–7	84	–53	20	10	12	–30	–13	19	13
Total other transactions	359	507	226	1,685	799	839	–565	416	293	2,169
Total non-budgetary requirements	–309	–133	–406	689	662	1,840	1,113	1,035	2,551	5,275
II Foreign exchange transactions Source or requirement (–)										
Exchange Fund account	–125	175	673	39	1,537	248	–2,375	2,143	1,263	–237
International Monetary Fund Subscriptions	–51	–105	44	–89	110	–310	–482	–7	–930	181
Notes payable	103	137	–74	73	–364	260	690	39	715	–2
Unmatured debt payable in foreign currency	–2	–76	–50	–28	–2	855	6,186	–2,516	–66	–219
Special Drawing Rights	—	—	—	—	—	133	243	213	175	–70
Total foreign exchange transactions	–75	131	593	–5	1,281	1,186	4,262	–128	1,157	–347
IV Unmatured debt transactions Increase or decrease (–)										
Marketable bonds	38	93	672	1,137	2,265	3,439	8,146	6,417	7,834	3,000
Treasury bills	460	615	725	865	1,760	3,040	2,240	2,790	5,445	–2,395
Canada Savings Bonds	1,277	–583	2,509	2,602	787	1,707	1,236	–1,166	–2,269	9,166
Securities issued to Canada Pension Plan	7	8	9	10	10	12	12	17	23	18
Notes and loans payable in foreign currencies	—	—	—	—	—	850	3,390	–2,528	–5	–585
Less:										
Unmatured debt payable in foreign currency	2	76	50	28	2	–855	–6,186	2,516	66	219
Canada Savings Bonds held for employees	–8	–4	–13	–1	–5	–7	–15	–6	–1	–24
Securities issued to Canada Pension Plan	–7	–8	–9	–10	–10	–12	–12	–17	–23	–18
Securities investment account[1]	15	—	–3	–4	3	–2	–33	–145	83	–14
Total unmatured debt transactions	1,782	197	3,940	4,627	4,812	8,172	8,778	7,878	11,153	9,367
V Level of cash balance at end of period										
In Canadian dollars	1,984	801	3,186	3,037	3,580	4,487	6,374	3,661	5,826	6,594
In foreign currency	15	9	18	15	17	19	59	77	105	26

[1] Including investments held for retirement of unmatured debt.

Source: Public Accounts of Canada and Department of Finance.

Reference Table 63
Government of Canada
Liabilities and Assets
Public Accounts Presentation
(As at March 31)
1927 – 1982

	1927	1937	1947	1957	1962	1967	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
									(Millions of dollars)								
Liabilities																	
Specified purpose accounts	109	243	1,060	3,240	3,867	6,693	9,978	10,520	11,217	12,533	14,452	16,466	19,237	22,017	24,064	26,845	31,190
Foreign liabilities	538	859	160	351	130	366	336	334	258	208	166	164	1,019	7,205	4,690	4,624	4,405
Other liabilities[2]	181	24	804	1,156	1,073	1,933	3,095	3,788	5,395	5,506	6,025	6,937	7,906	7,336	7,851	8,818	10,971
Unmatured debt—net of own holdings																	
Marketable bonds	2,436	3,125	13,601	9,144	10,861	11,188	13,666	13,716	13,809	14,480	15,609	17,877	21,314	29,427	35,699	43,616	46,602
Canada Savings Bonds	—	—	483	2,421	4,042	5,981	9,669	10,938	10,351	12,848	15,444	16,226	17,926	19,147	17,975	15,705	24,847
Treasury bills	—	150	1,280	1,625	1,885	2,310	3,830	4,290	4,905	5,630	6,495	8,255	11,295	13,535	16,325	21,770	19,375
Notes payable to Canadian banks	—	—	—	—	—	—	—	—	—	—	—	—	850	4,240	1,712	1,707	1,122
Total unmatured debt held by outside parties	2,436	3,275	15,364	13,190	16,788	19,479	27,165	28,944	29,065	32,958	37,548	42,358	51,385	66,349	71,711	82,798	91,946
Less: unmatured debt payable in foreign currency	538	859	160	351	130	366	336	334	258	208	166	164	1,019	7,205	4,690	4,624	4,405
Total unmatured debt payable in Canadian currency	1,898	2,416	15,204	12,839	16,658	19,113	26,829	28,610	28,807	32,750	37,382	42,194	50,366	59,144	67,021	78,174	87,541
Total liabilities[1]	2,726	3,542	17,228	17,586	21,728	28,105	40,238	43,252	45,677	50,997	58,025	65,761	78,528	95,702	103,626	118,461	134,107
Assets																	
Loans, investments and advances	243	429	2,805	4,281	4,053	7,087	13,600	14,810	16,147	18,095	21,010	23,161	24,931	26,033	27,461	27,984	29,223
Foreign assets	—	—	1,025	2,183	2,095	3,148	5,537	5,610	5,403	4,760	4,737	3,454	3,123	5,048	2,660	1,437	1,565
Other assets	135	29	350	113	813	857	2,290	3,022	2,933	5,215	3,888	4,546	5,585	7,506	4,910	7,777	8,450
Total assets	378	458	4,180	6,577	6,961	11,092	21,427	23,442	24,483	28,070	29,635	31,161	33,639	38,587	35,031	37,198	39,238
Excess of recorded liabilities over recorded assets[1]	2,348	3,084	13,048	11,009	14,767	17,013	18,811	19,810	21,194	22,927	28,390	34,600	44,889	57,115	68,595	81,263	94,869

[1] Total liabilities are normally referred to as the *gross debt of Canada* whereas the excess of recorded liabilities over recorded assets is normally referred to as the *net debt of Canada*.

Note: The liabilities and assets for the years 1972 to 1982 are adjusted to charge loan write-offs and provisions in the years in which the funds were expended rather than the years in which the write-offs or provisions were made. In addition, the government contribution to the Unemployment Insurance Account is treated for these years on a current basis. Undisbursed balances of appropriations to special accounts are eliminated and the unamortized portion of flotation costs of marketable bonds and Canada Savings Bonds is recorded as a charge to budgetary expenditure in the year in which the cost was incurred. Figures for the years prior to 1962 are thus not on a strictly consistent basis with figures for 1962 to 1982. For all years the old age security transactions are treated as budgetary.

Source: Public Accounts of Canada and Department of Finance.

Reference Table 64

Allocation of Revenues from Own Sources, by Levels of Government 1945 – 1982

Year	Revenues from own sources[1]				Percentage distribution		
	(a) Federal	(b) Provincial	(c) Local	(d) Total (a) + (b) + (c)	(e) Federal (a) ÷ (d)	(f) Provincial (b) ÷ (d)	(g) Local (c) ÷ (d)
	(Millions of dollars)				(Per cent)		
1945	2,385	538	415	3,338	71.4	16.1	12.4
1946	2,555	619	440	3,614	70.7	17.1	12.2
1947	2,696	780	485	3,961	68.1	19.7	12.2
1948	2,681	879	540	4,100	65.4	21.4	13.2
1949	2,659	925	583	4,167	63.8	22.2	14.0
1950	2,972	1,013	649	4,634	64.1	21.9	14.0
1951	4,113	1,194	746	6,053	67.9	19.7	12.3
1952	4,492	1,320	850	6,662	67.4	19.8	12.8
1953	4,563	1,410	922	6,895	66.2	20.4	13.4
1954	4,344	1,481	994	6,819	63.7	21.7	14.6
1955	4,745	1,640	1,073	7,458	63.6	22.0	14.4
1956	5,411	1,865	1,220	8,496	63.7	22.0	14.4
1957	5,455	2,075	1,357	8,887	61.4	23.3	15.3
1958	5,163	2,216	1,489	8,868	58.2	25.0	16.8
1959	5,871	2,489	1,686	10,046	58.4	24.8	16.8
1960	6,228	2,629	1,853	10,710	58.2	24.5	17.3
1961	6,473	2,860	1,982	11,315	57.2	25.3	17.5
1962	6,899	3,396	2,142	12,437	55.5	27.3	17.2
1963	7,323	3,639	2,286	13,248	55.3	27.5	17.3
1964	8,355	4,189	2,396	14,940	55.9	28.0	16.0
1965	9,095	4,949[2]	2,646	16,690	54.5	29.7	15.9
1966	9,984	5,782	2,956	18,722	53.3	30.9	15.8
1967	10,906	6,782	3,298	20,986	52.0	32.3	15.7
1968	12,218	7,966	3,658	23,842	51.2	33.4	15.3
1969	14,490	9,293	4,067	27,850	52.0	33.4	14.6
1970	15,528	10,548	4,438	30,514	50.9	34.6	14.5
1971	17,241	11,744	4,748	33,733	51.1	34.8	14.1
1972	19,560	13,253	5,214	38,027	51.4	34.9	13.7
1973	22,809	15,880	5,582	44,271	51.5	35.9	12.6
1974	29,978	20,039	6,247	56,264	53.3	35.6	11.1
1975	31,703	22,253	7,303	61,259	51.8	36.3	11.9
1976	35,313	25,974	8,674	69,961	50.5	37.1	12.4
1977	36,509	31,055	9,795	77,359	47.2	40.1	12.7
1978	38,390	35,667	10,871	84,928	45.2	42.0	12.8
1979	43,541	40,435	12,241	96,217	45.3	42.0	12.7
1980	50,646	45,411	13,494	109,551	46.2	41.5	12.3
1981	63,737	51,541	15,040	130,318	48.9	39.6	11.5
1982	64,874	56,765	16,848	138,487	46.8	41.0	12.2

[1] Tax rental payments are assumed to be a provincial revenue from own sources and have been deducted from "federal revenues from own sources".

[2] The value of the federal tax abatements in Quebec, introduced in 1965 under the *Established Programs (Interim Arrangements) Act* (contracting-out arrangements), is included as a provincial revenue from own sources.

Source: Statistics Canada, *National Income and Expenditure Accounts*, Vol. 1, *The Annual Estimates 1926-1974*, cat. 13-531; and *National Income and Expenditure Accounts*.

Reference Table 65

Intergovernmental Transfers

1945 – 1982

Year	Transfers from				Revenue from own sources[1]			Federal transfers			Total transfers
	(a) Federal to provincial governments[1]	(b) Federal to local governments	(c) Provincial to local governments	(d) Local to provincial governments	(e) Federal	(f) Provincial	(g) Local	(h) As a % of federal revenues ((a) + (b)) ÷ (e)	(i) To provinces as a % of provincial revenues (a) ÷ (f)	(j) To local governments as a % of local revenues (b) ÷ (g)	(k) Received by local governments as a % of local revenues ((b) + (c)) ÷ (g)
D	40374	40375	40376	40378							
	(Millions of dollars)							(Per cent)			
1945	76	—	63	7	2,385	538	415	3.2	14.1	—	15.2
1946	97	—	79	7	2,555	619	440	3.8	15.7	—	18.0
1947	112	—	101	7	2,696	780	485	4.2	14.4	—	20.8
1948	114	—	129	9	2,681	879	540	4.3	13.0	—	23.9
1949	147	—	157	10	2,659	925	583	5.5	15.9	—	26.9
1950	202	1	171	11	2,972	1,013	649	6.8	19.9	0.2	26.5
1951	205	2	197	13	4,113	1,194	746	5.0	17.2	0.3	26.7
1952	170	3	215	13	4,492	1,320	850	3.9	12.9	0.4	25.6
1953	163	3	242	15	4,563	1,410	922	3.6	11.6	0.3	26.6
1954	164	2	259	15	4,344	1,481	994	3.8	11.1	0.2	26.3
1955	180	7	327	22	4,745	1,640	1,073	3.9	11.0	0.7	31.1
1956	189	9	362	18	5,411	1,865	1,220	3.7	10.1	0.7	30.4
1957	288	16	452	28	5,455	2,075	1,357	5.6	13.9	1.2	34.5
1958	394	23	545	17	5,163	2,216	1,489	8.1	17.8	1.5	38.1
1959	588	24	622	24	5,871	2,489	1,686	10.4	23.6	1.4	38.3
1960	673	32	714	17	6,228	2,629	1,853	11.3	25.6	1.7	40.3
1961	789	33	841	15	6,473	2,860	1,982	12.7	27.6	1.7	44.1
1962	1,010	44	1,063	15	6,899	3,396	2,142	15.3	29.7	2.1	51.7
1963	1,117	52	1,148	17	7,323	3,639	2,286	16.0	30.7	2.3	52.5
1964	1,199	53	1,289	18	8,355	4,189	2,396	15.0	28.6	2.2	56.0
1965	1,357	74	1,440	22	9,095	4,949	2,646	15.7	27.4	2.8	57.2
1966	1,556	108	1,760	37	9,984	5,782	2,956	16.7	26.9	3.7	63.2
1967	1,895	97	2,025	56	10,906	6,782	3,298	18.3	27.9	2.9	64.3
1968	2,280	92	2,262	40	12,218	7,966	3,658	19.4	28.6	2.5	64.4
1969	2,632	94	2,501	46	14,490	9,293	4,067	18.8	28.3	2.3	63.8
1970	3,303	94	3,098	44	15,528	10,548	4,438	21.9	31.3	2.1	71.9
1971	4,230	93	3,490	44	17,241	11,744	4,748	25.1	36.0	2.0	75.5
1972	4,400	158	3,911	49	19,560	13,253	5,214	23.3	33.2	3.0	78.0
1973	4,694	113	4,388	40	22,809	15,880	5,582	21.1	29.6	2.0	80.6
1974	6,013	152	5,156	41	29,978	20,039	6,247	20.6	30.0	2.4	85.0
1975	7,527	143	6,560	50	31,703	22,253	7,303	24.2	33.8	2.0	91.8
1976	8,318	204	7,163	51	35,313	25,974	8,674	24.1	32.0	2.4	84.9
1977	9,615	352	8,845	50	36,509	31,055	9,795	27.3	31.0	3.6	93.9
1978	10,527	348	9,076	64	38,390	35,667	10,871	26.3	29.5	3.2	86.7
1979	11,419	335	10,926	96	43,541	40,435	12,241	27.0	28.2	2.7	92.0
1980	12,532	299	11,353	82	50,646	45,411	13,494	25.3	27.6	2.2	86.3
1981	13,778	295	12,569	112	63,737	51,541	15,040	22.1	26.7	2.0	85.5
1982	15,514	254	14,253	77	64,874	56,765	16,848	24.3	27.3	1.5	86.1

[1] Tax rental payments are assumed to be a "provincial revenue from own sources" and are not included in federal transfers to provincial governments.

Source: Statistics Canada, *National Income and Expenditure Accounts*, Vol. 1, *The Annual Estimates 1926-1974*; and *National Income and Expenditure Accounts*.

Reference Table 66

Allocations of Revenues After Transfers, by Levels of Government
1945 – 1982[1]

Year	Revenues after transfers				Percentage distribution		
	(a) Federal	(b) Provincial	(c) Local	(d) Total (a) + (b) + (c)	(e) Federal (a) ÷ (d)	(f) Provincial (b) ÷ (d)	(g) Local (c) ÷ (d)
	(Millions of dollars)						
1945	2,309	558	471	3,338	69.2	16.7	14.1
1946	2,458	644	512	3,614	68.0	17.8	14.2
1947	2,584	798	579	3,961	65.2	20.1	14.6
1948	2,567	873	660	4,100	62.6	21.3	16.1
1949	2,512	925	730	4,167	60.3	22.2	17.5
1950	2,769	1,055	810	4,634	59.8	22.8	17.5
1951	3,906	1,215	932	6,053	64.5	20.1	15.4
1952	4,319	1,288	1,055	6,662	64.8	19.3	15.8
1953	4,397	1,346	1,152	6,895	63.8	19.5	16.7
1954	4,178	1,401	1,240	6,819	61.3	20.5	18.2
1955	4,558	1,515	1,385	7,458	61.1	20.3	18.6
1956	5,213	1,710	1,573	8,496	61.4	20.1	18.5
1957	5,151	1,939	1,797	8,887	58.0	21.8	20.2
1958	4,746	2,082	2,040	8,868	53.5	23.5	23.0
1959	5,259	2,479	2,308	10,046	52.3	24.7	23.0
1960	5,523	2,605	2,582	10,710	51.6	24.3	24.1
1961	5,651	2,823	2,841	11,315	49.9	24.9	25.1
1962	5,845	3,358	3,234	12,437	47.0	27.0	26.0
1963	6,154	3,625	3,469	13,248	46.5	27.4	26.2
1964	7,103	4,117	3,720	14,940	47.5	27.6	24.9
1965	7,664	4,888	4,138	16,690	45.9	29.3	24.8
1966	8,320	5,615	4,787	18,722	44.4	30.0	25.6
1967	8,914	6,708	5,364	20,986	42.5	32.0	25.6
1968	9,846	8,024	5,972	23,842	41.3	33.7	25.0
1969	11,764	9,470	6,616	27,850	42.2	34.0	23.8
1970	12,131	10,797	7,586	30,514	39.8	35.4	24.9
1971	12,918	12,528	8,287	33,733	38.3	37.1	24.6
1972	15,002	13,791	9,234	38,027	39.5	36.3	24.3
1973	18,002	16,226	10,043	44,271	40.7	36.7	22.7
1974	23,813	20,937	11,514	56,264	42.3	37.2	20.5
1975	24,033	23,270	13,956	61,259	39.2	38.0	22.8
1976	26,791	27,180	15,990	69,961	38.3	38.9	22.9
1977	26,542	31,875	18,942	77,359	34.3	41.2	24.5
1978	27,515	37,182	20,231	84,928	32.4	43.8	23.8
1979	31,787	41,024	23,406	96,217	33.0	42.6	24.3
1980	37,815	46,672	25,064	109,551	34.5	42.6	22.9
1981	49,664	52,862	27,792	130,318	38.1	40.6	21.3
1982	49,106	58,103	31,278	138,487	35.5	42.0	22.6

[1] Transfers between levels of government subtracted from revenues of governments which pay and added to revenues of governments which receive.

Source: Statistics Canada, *National Income and Expenditure Accounts*, Vol. 1, *The Annual Estimates 1926-1974*; and *National Income and Expenditure Accounts*.

Reference Table 67

Allocation of Expenditures by Levels of Government Before and After Transfer Payments 1926 – 1982[1]

Year	Before transfer payments[2]			After transfer payments[3]				Before transfer payments			After transfer payments		
	(a) Total federal expenditures	(b) Total provincial expenditures	(c) Total local expenditures	(d) Total federal expenditures	(e) Total provincial expenditures	(f) Total local expenditures	(g) Total government expenditures (d) + (e) + (f)	Federal share (a)÷(g)	Provincial share (b)÷(g)	Local share (c)÷(g)	Federal share (d)÷(g)	Provincial share (e)÷(g)	Local share (f)÷(g)
	(Millions of dollars)							(Per cent)					
Pre-tax-rental era:													
1926	321	166	323	306	164	340	810	39.6	20.5	39.9	37.8	20.2	42.0
1927	336	181	342	320	177	362	859	39.1	21.1	39.8	37.3	20.6	42.1
1928	344	207	347	327	202	369	898	38.3	23.1	38.6	36.4	22.5	41.1
1929	362	240	389	345	234	412	991	36.5	24.2	39.3	34.8	23.6	41.6
1930	389	276	434	364	275	460	1099	35.4	25.1	39.5	33.1	25.0	41.9
1931	409	286	421	353	298	465	1116	36.6	25.6	37.7	31.6	26.7	41.7
1932	387	261	399	325	295	427	1047	37.0	24.9	38.1	31.0	28.2	40.8
1933	380	240	336	324	286	346	956	39.7	25.1	35.1	33.9	29.9	36.2
1934	409	300	332	336	355	348	1041	39.3	28.8	31.9	32.5	34.1	33.4
1935	453	307	333	379	369	345	1093	41.4	28.1	30.5	34.7	33.8	31.6
1936	459	297	331	368	371	348	1087	42.2	27.3	30.5	33.9	34.1	32.0
1937	476	364	333	371	448	354	1173	40.6	31.0	28.4	31.6	38.2	30.2
1938	524	394	336	438	457	359	1254	41.8	31.4	26.8	34.9	36.4	28.6
1939	483	382	340	404	436	365	1205	40.1	31.7	28.2	33.5	36.2	30.3
1940	1024	330	335	954	378	357	1689	60.6	19.5	19.8	56.5	22.4	21.1
1941	1550	354	333	1496	384	357	2237	69.3	15.8	14.9	66.9	17.2	16.0
Tax-rental era:													
1942	3680	334	332	3615	369	362	4346	84.7	7.7	7.6	83.2	8.5	8.3
1943	4323	359	340	4264	385	373	5022	86.1	7.1	6.8	84.9	7.7	7.4
1944	5233	397	350	5165	414	401	5980	87.5	6.6	5.9	86.4	6.9	6.7
1945	4217	446	366	4141	466	422	5029	83.9	8.9	7.3	82.3	9.3	8.4
1946	2800	526	425	2703	551	497	3751	74.6	14.0	11.3	72.1	14.7	13.2
1947	2009	685	504	1897	703	598	3198	62.8	21.4	15.8	59.3	22.0	18.7
1948	1916	864	598	1802	858	718	3378	56.7	25.6	17.7	53.3	25.4	21.3
1949	2175	983	666	2028	983	813	3824	56.9	25.7	17.4	53.0	25.7	21.3
1950	2322	1017	741	2119	1059	902	4080	56.9	24.9	18.2	51.9	26.0	22.1
1951	3142	1190	895	2935	1211	1081	5227	60.1	22.8	17.1	56.2	23.2	20.7
1952	4297	1259	1049	4124	1227	1254	6605	65.1	19.1	15.9	62.4	18.6	19.0
1953	4412	1303	1097	4246	1239	1327	6812	64.8	19.1	16.1	62.3	18.2	19.5
1954	4390	1428	1273	4224	1348	1519	7091	61.9	20.1	18.0	59.6	19.0	21.4
1955	4543	1612	1343	4356	1487	1655	7498	60.6	21.5	17.9	58.1	19.8	22.1
1956	4813	1909	1502	4615	1754	1855	8224	58.5	23.2	18.3	56.1	21.3	22.6
1957	5205	2059	1642	4901	1923	2082	8906	58.4	23.1	18.4	55.0	21.6	23.4
1958	5930	2266	1750	5513	2132	2301	9946	59.6	22.8	17.6	55.4	21.4	23.1
1959	6210	2502	1935	5598	2492	2557	10647	58.3	23.5	18.2	52.6	23.4	24.0
1960	6457	2842	2081	5752	2818	2810	11380	56.7	25.0	18.3	50.5	24.8	24.7
1961	6883	3141	2110	6061	3104	2969	12134	56.7	25.9	17.4	50.0	25.6	24.5

Reference Table 67 (continued)

Allocation of Expenditures by Levels of Government Before and After Transfer Payments 1926 – 1982[1]

Year	Before transfer payments[2]			After transfer payments[3]				Before transfer payments			After transfer payments		
	(a) Total federal expenditures	(b) Total provincial expenditures	(c) Total local expenditures	(d) Total federal expenditures	(e) Total provincial expenditures	(f) Total local expenditures	(g) Total government expenditures (d) + (e) + (f)	Federal share (a)÷(g)	Provincial share (b)÷(g)	Local share (c)÷(g)	Federal share (d)÷(g)	Provincial share (e)÷(g)	Local share (f)÷(g)
	(Millions of dollars)							(Per cent)					
Post-tax-rental era:													
1962	7406	3452	2277	6352	3414	3369	13135	56.4	26.3	17.3	48.4	26.0	25.6
1963	7609	3738	2484	6440	3724	3667	13831	55.0	27.0	18.0	46.6	26.9	26.5
1964	8010	4270	2537	6758	4198	3861	14817	54.1	28.8	17.1	45.6	28.3	26.1
1965	8551	4949	3013	7120	4888	4505	16513	51.8	30.0	18.2	43.1	29.6	27.3
1966	9753	5956	3283	8089	5789	5114	18992	51.4	31.4	17.3	42.6	30.5	26.9
1967	10990	7116	3635	8998	7042	5701	21741	50.5	32.7	16.7	41.4	32.4	26.2
1968	12229	8022	4094	9857	8080	6408	24345	50.2	33.0	16.8	40.5	33.2	26.3
1969	13469	8974	4609	10743	9151	7158	27052	49.8	33.2	17.0	39.7	33.8	26.5
1970	15262	10777	4908	11885	11026	8056	30947	49.3	34.8	15.9	38.3	35.6	26.0
1971	17386	12214	5263	13063	12998	8802	34863	49.9	35.0	15.1	37.5	37.3	25.2
1972	20126	13944	5385	15568	14482	9405	39455	51.0	35.3	13.6	39.5	36.7	23.8
1973	22422	15982	6067	17615	16328	10528	44471	50.4	35.9	13.6	39.6	36.7	23.7
1974	28869	19387	7066	22704	20285	12333	55322	52.2	35.0	12.8	41.0	36.7	22.3
1975	35508	24009	7871	27838	25026	14524	67388	52.7	35.6	11.7	41.3	37.1	21.6
1976	38704	27517	9443	30182	28723	16759	75664	51.2	36.4	12.5	39.9	38.0	22.1
1977	43812	31789	9636	33645	32609	18783	85237	51.4	37.3	11.3	39.7	38.3	22.0
1978	49075	34918	11121	38200	36433	20481	95114	51.6	36.7	11.7	40.2	38.3	21.5
1979	52805	40469	11134	41051	41058	22299	104408	50.6	38.8	10.7	39.3	39.3	21.4
1980	60799	44383	13416	47968	45644	24986	118598	51.3	37.4	11.3	40.4	38.5	21.1
1981	71716	49544	15905	57643	50865	28657	137165	52.3	36.1	11.6	42.0	31.7	20.9
1982	85957	56429	18332	70189	57767	32762	160718	53.5	35.1	11.4	43.7	35.9	20.4

[1] Includes conditional, unconditional and other types of transfer payments.
[2] Transfers between levels of government are attributed to the government who makes them.
[3] Transfers between levels of government are subtracted from expenditures of paying government and added to expenditures of recipient government.

Source: Statistics Canada, *National Income and Expenditure Accounts*, Vol. 1, *The Annual Estimates 1926-1974*, and *National Income and Expenditure Accounts*.

Reference Table 68
Summary of Balance of Payments
1947 – 1982

Year	Merchandise exports	Merchandise imports	Merchandise trade balance	Service receipts	Service payments	Balance on goods and services	Net transfers	Balance on current account	Net capital movements inflows and outflows (–) Long-term forms	Net capital movements inflows and outflows (–) Short-term forms[1]	Special Drawing Rights allocations	Net official monetary movements[2]
D	50501	50526	50502	50544	50557	50558	50687	50555	50710	50688	50710	50712
						(Millions of dollars)						
1947	2,723	2,535	188	939	1,057	70	–21	49	–721	4	—	–668
1948	3,030	2,598	432	1,015	1,022	425	26	451	43	–2	—	492
1949	2,989	2,696	293	1,015	1,157	151	26	177	–29	–20	—	128
1950	3,139	3,132	7	1,019	1,360	–334	15	–319	610	431	—	722
1951	3,950	4,101	–151	1,102	1,479	–528	16	–512	666	–98	—	56
1952	4,339	3,854	485	1,217	1,516	186	1	187	455	–605	—	37
1953	4,152	4,212	–60	1,216	1,594	–438	–10	–448	649	–239	—	–38
1954	3,934	3,916	18	1,191	1,627	–418	–6	–424	599	–51	—	124
1955	4,332	4,543	–211	1,405	1,847	–653	–34	–687	414	229	—	–44
1956	4,837	5,565	–728	1,500	2,099	–1,327	–45	–1,372	1,490	–70	—	48
1957	4,894	5,488	–594	1,472	2,278	–1,400	–51	–1,451	1,320	26	—	–105
1958	4,890	5,066	–176	1,420	2,256	–1,012	–125	–1,137	1,153	93	—	109
1959	5,151	5,572	–421	1,503	2,456	–1,374	–113	–1,487	1,179	297	—	–11
1960	5,392	5,540	–148	1,590	2,549	–1,107	–126	–1,233	929	265	—	–39
1961	5,889	5,716	173	1,735	2,764	–856	–72	–928	930	290	—	292
1962	6,387	6,203	184	1,847	2,842	–811	–19	–830	688	296	—	154
1963	7,082	6,579	503	1,986	2,982	–493	–28	–521	637	29	—	145
1964	8,238	7,537	701	2,265	3,376	–410	–14	–424	750	38	—	364
1965	8,745	8,627	118	2,437	3,714	–1,159	29	–1,130	833	455	—	158
1966	10,326	10,102	224	2,719	4,157	–1,214	52	–1,162	1,228	–425	—	–359
1967	11,338	10,772	566	3,325	4,462	–571	72	–499	1,415	–896	—	20
1968	13,720	12,249	1,471	3,070	4,822	–281	184	–97	1,669	–1,223	—	349
1969	15,035	14,071	964	3,695	5,719	–1,060	143	–917	2,337	–1,355	—	65
1970	16,921	13,869	3,052	4,246	6,345	953	153	1,106	1,007	–583	133	1,663
1971	17,877	15,314	2,563	4,304	6,702	165	266	431	664	–318	119	896
1972	20,129	18,272	1,857	4,451	6,978	–670	284	–386	1,588	–983	117	336
1973	25,461	22,726	2,735	5,257	8,228	–236	344	108	628	–1,203	—	–467
1974	32,591	30,902	1,689	6,401	10,107	–2,017	557	–1,460	1,041	443	—	24
1975	33,511	33,962	–451	6,941	11,627	–5,137	380	–4,757	3,935	417	—	–405
1976	37,995	36,607	1,388	7,606	13,366	–4,372	530	–3,842	8,007	–3,643	—	522
1977	44,253	41,523	2,730	8,295	15,739	–4,714	413	–4,301	4,217	–1,337	—	–1,421
1978	53,054	49,047	4,007	9,931	18,923	–4,985	50	–4,935	3,111	–1,475	—	–3,299
1979	65,275	61,157	4,118	11,906	21,652	–5,626	664	–4,962	1,905	4,746	219	1,908
1980	76,772	68,284	8,488	14,172	25,003	–2,343	1,247	–1,096	907	–1,308	217	–1,280
1981	84,221	76,870	7,351	15,247	29,505	–6,907	1,561	–5,346	558	6,004	210	1,426
1982	84,486	66,740	17,746	15,909	32,410	1,245	1,424	2,669	8,561	–11,925	—	–695

[1] Includes net errors and omissions.
[2] Net official monetary movements include transactions in official international reserves and official monetary liabilities.
Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments*, cat. 67-001.

Reference Table 69

Bilateral Payments Balance with the United States

1947 – 1982

Year	Merchandise trade balance	Balance on goods and services	Balance on current account	Net capital movements inflows and outflows (–)		Net balance
				Long-term forms	Short-term forms	
D	51551	51558	51555	51687	51688	51690
			(Millions of dollars)			
1947	–890	–1,115	–1,134	–158	–5	–1,297
1948	–289	–374	–393	126	–15	–282
1949	–378	–575	–601	116	–52	–537
1950	–50	–369	–385	625	220	460
1951	–520	–922	–945	560	–66	–451
1952	–473	–791	–830	387	–104	–547
1953	–590	–869	–907	440	–75	–542
1954	–440	–762	–800	395	54	–351
1955	–685	–981	–1,029	209	127	–693
1956	–1,167	–1,583	–1,650	1,034	–167	–783
1957	–947	–1,497	–1,579	963	–263	–879
1958	–532	–1,109	–1,167	950	–16	–233
1959	–536	–1,149	–1,221	927	68	–226
1960	–673	–1,266	–1,359	746	127	–486
1961	–615	–1,257	–1,341	953	205	–183
1962	–438	–1,019	–1,092	680	536	124
1963	–488	–1,070	–1,148	843	–49	–354
1964	–806	–1,565	–1,635	943	580	–112
1965	–1,041	–1,883	–1,937	1,074	–398	–1,261
1966	–993	–2,001	–2,030	1,393	–291	–928
1967	–569	–1,301	–1,342	1,317	–265	–290
1968	389	–744	–747	1,151	–639	–235
1969	472	–877	–845	1,669	–239	585
1970	1,121	–227	–165	989	47	871
1971	1,445	–215	–86	877	1,867	2,658
1972	1,513	–272	–137	1,059	–201	721
1973	1,242	–930	–834	1,134	–605	–305
1974	1,001	–1,639	–1,530	1,653	1,628	1,751
1975	–1,125	–4,903	–4,810	3,292	2,104	586
1976	519	–4,165	–4,090	4,636	–15	531
1977	1,496	–4,161	–4,115	2,227	453	–1,435
1978	2,580	–4,549	–4,474	2,692	2,171	389
1979	295	–7,977	–7,880	642	3,048	–4,190
1980	1,325	–8,205	–8,061	516	–3,334	–10,879
1981	3,545	–7,730	–7,586	–1,234	12,483	3,663
1982	11,070	–1,192	–1,045	1,645	–4,887	–4,287

Note: Since errors and omissions are excluded, the regional breakdown of Canada's balance of international payments will not equal the total for transactions with all countries.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 70

Bilateral Payments Balance with the Rest of the World
1947 – 1982

Year	Merchandise trade balance	Balance on goods and services	Balance on current account	Net capital movements inflows and outflows(–)		Special Drawing Rights allocations	Net balance
				Long-term forms	Short-term forms		
			(Millions of dollars)				
1947	1,078	1,147	1,183	–563	9	—	629
1948	721	773	844	–83	13	—	774
1949	671	702	778	–145	32	—	665
1950	57	5	66	–15	110	—	161
1951	369	356	433	106	–94	—	445
1952	958	977	1,017	68	–112	—	973
1953	530	431	459	209	2	—	670
1954	458	344	376	204	–35	—	545
1955	474	328	342	205	72	—	619
1956	439	256	278	456	73	—	708
1957	353	97	128	357	47	—	532
1958	356	97	30	203	–2	—	231
1959	115	–225	–266	252	–88	—	–102
1960	525	159	126	183	37	—	346
1961	788	401	413	–23	–72	—	318
1962	622	208	262	8	–95	—	175
1963	991	577	627	–206	46	—	467
1964	1,509	1,155	1,211	–193	–655	—	363
1965	1,159	724	807	–241	1,092	—	1,658
1966	1,217	787	868	–165	48	—	751
1967	1,135	730	843	98	–130	—	811
1968	1,082	463	650	518	200	—	1,368
1969	492	–183	–72	668	–897	—	–301
1970	1,931	1,180	1,271	18	–243	133	1,046
1971	1,118	380	517	–213	–837	119	–533
1972	344	–398	–249	529	673	117	953
1973	1,493	694	942	–506	52	—	488
1974	688	–378	70	–612	–318	—	–860
1975	674	–234	53	643	–484	—	212
1976	869	–207	248	3,371	84	—	3,703
1977	1,234	–553	–186	1,990	215	—	2,019
1978	1,427	–436	–461	419	–934	—	–976
1979	3,823	2,351	2,918	1,263	3,867	219	8,048
1980	7,163	5,862	6,965	391	2,604	217	9,960
1981	3,806	823	2,240	1,792	2,589	210	6,621
1982	6,676	2,437	3,714	6,916	–4,524	—	6,106

Note: Since errors and omissions are excluded, the regional breakdown of Canada's balance of international payments will not equal the total for transactions with all countries.

Reference Table 71
International Payments: Current Account
1947 – 1982

Year	Current receipts							
	Merchandise exports (adjusted)	Gold production available for export	Travel	Interest and dividends	Freight and shipping	Other service receipts	Transfer receipts	Total current receipts
D	50501	50505	50506	50508	50512	50516		50525
	(Millions of dollars)							
1947	2,723	99	251	64	322	203	121	3,783
1948	3,030	119	279	70	336	211	143	4,188
1949	2,989	139	285	83	303	205	132	4,136
1950	3,139	163	275	94	284	203	126	4,284
1951	3,950	150	274	115	351	212	151	5,203
1952	4,339	150	275	152	383	269	160	5,728
1953	4,152	144	302	164	318	300	167	5,547
1954	3,934	155	305	147	313	283	169	5,306
1955	4,332	155	328	161	398	375	177	5,926
1956	4,837	147	337	142	457	430	194	6,544
1957	4,894	144	363	153	445	380	233	6,612
1958	4,890	157	349	167	401	365	171	6,500
1959	5,151	148	391	180	420	384	213	6,887
1960	5,392	162	420	171	442	393	235	7,215
1961	5,889	162	482	213	486	390	282	7,904
1962	6,387	155	562	202	509	419	314	8,548
1963	7,082	154	609	230	563	430	348	9,416
1964	8,238	145	662	332	644	482	384	10,887
1965	8,745	138	747	322	668	562	466	11,648
1966	10,326	127	840	318	758	676	555	13,600
1967	11,338	112	1,318	295	830	770	640	15,303
1968	13,720	33	953	353	891	840	674	17,464
1969	15,035	—	1,047	451	935	1,262	695	19,425
1970	16,921	—	1,206	528	1,126	1,386	765	21,932
1971	17,877	—	1,246	558	1,184	1,316	870	23,051
1972	20,129	—	1,230	665	1,241	1,315	903	25,483
1973	25,461	—	1,446	790	1,494	1,527	1,058	31,776
1974	32,591	—	1,694	882	1,812	2,013	1,360	40,352
1975	33,511	—	1,815	926	1,714	2,486	1,388	41,840
1976	37,995	—	1,930	825	2,082	2,769	1,509	47,110
1977	44,253	—	2,025	874	2,371	3,025	1,555	54,103
1978	53,054	—	2,378	1,208	2,714	3,631	1,592	64,577
1979	65,275	—	2,887	1,271	3,469	4,279	2,001	79,182
1980	76,772	—	3,349	1,577	3,966	5,280	2,671	93,615
1981	84,221	—	3,760	1,631	4,279	5,577	3,075	102,543
1982	84,486	—	3,724	1,305	4,170	6,710	3,165	103,560

Reference Table 71 (continued)
International Payments: Current Account
1947 – 1982

Year	Current payments							
	Merchandise imports (adjusted)	Travel	Interest and dividends	Freight and shipping	Other service payments	Official contributions	Other transfer payments	Total current payments
D	50526	50531	50533	50537	50545	50542		50550
	(Millions of dollars)							
1947	2,535	167	337	278	275	38	104	3,734
1948	2,598	134	325	279	284	23	94	3,737
1949	2,696	193	390	253	321	6	100	3,959
1950	3,132	226	475	301	358	5	106	4,603
1951	4,101	280	452	354	405	9	114	5,715
1952	3,854	341	413	375	398	16	144	5,541
1953	4,212	365	406	374	461	25	152	5,995
1954	3,916	389	424	356	470	11	164	5,730
1955	4,543	449	473	415	510	24	199	6,613
1956	5,565	498	524	502	575	30	222	7,916
1957	5,488	525	594	515	645	40	256	8,063
1958	5,066	542	614	460	639	53	263	7,637
1959	5,572	596	671	525	662	72	274	8,374
1960	5,540	627	656	533	733	61	298	8,448
1961	5,716	642	764	568	790	56	296	8,832
1962	6,203	605	783	595	859	36	297	9,378
1963	6,579	585	860	648	889	65	311	9,937
1964	7,537	712	1,010	679	975	69	329	11,311
1965	8,627	796	1,086	761	1,071	93	344	12,778
1966	10,102	900	1,140	823	1,294	166	337	14,726
1967	10,772	895	1,211	861	1,495	182	386	15,802
1968	12,249	982	1,259	931	1,650	133	357	17,561
1969	14,071	1,261	1,366	996	2,096	144	408	20,342
1970	13,869	1,422	1,550	1,106	2,267	201	411	20,826
1971	15,314	1,448	1,699	1,196	2,359	201	403	22,620
1972	18,272	1,464	1,713	1,315	2,486	227	392	25,869
1973	22,726	1,742	2,050	1,560	2,876	253	461	31,668
1974	30,902	1,978	2,435	2,036	3,658	332	471	41,812
1975	33,962	2,542	2,879	2,147	4,059	513	495	46,597
1976	36,607	3,121	3,323	2,232	4,690	455	524	50,952
1977	41,523	3,666	4,532	2,397	5,144	543	599	58,404
1978	49,047	4,084	5,904	2,583	6,352	910	632	69,512
1979	61,157	3,955	6,512	3,160	8,023	645	692	84,144
1980	68,284	4,577	6,961	3,430	10,035	680	744	94,711
1981	76,870	4,876	8,105	3,792	12,732	718	796	107,889
1982	66,740	5,006	10,608	3,275	13,521	878	863	100,891

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 72
Merchandise Trade Detail: Exports
1963 – 1982

Year	Wheat	Animals and other edible products	Ores and concentrates	Crude petroleum and natural gas	Other crude materials	Lumber	Woodpulp	Newsprint
D	3609					3629	3631	3632
				(Millions of dollars)				
1963	787	675	703	310	414	452	405	780
1964	1,024	817	803	360	453	477	461	835
1965	840	869	863	384	517	490	493	870
1966	1,061	906	934	430	583	474	520	968
1967	742	902	1,016	522	571	505	543	955
1968	684	929	1,262	600	605	656	628	990
1969	473	992	1,138	702	623	697	754	1,126
1970	687	1,181	1,522	855	707	664	785	1,111
1971	833	1,279	1,415	1,038	811	830	798	1,085
1972	927	1,428	1,397	1,315	848	1,174	830	1,158
1973	1,221	1,937	2,000	1,833	1,192	1,599	1,082	1,266
1974	2,065	1,806	2,376	3,914	1,504	1,290	1,889	1,726
1975	2,023	2,124	2,241	4,144	1,581	973	1,835	1,746
1976	1,732	2,563	2,512	3,903	1,872	1,649	2,186	2,003
1977	1,881	2,727	2,730	3,779	2,341	2,387	2,158	2,382
1978	1,913	3,389	2,404	3,763	2,664	3,229	2,181	2,866
1979	2,180	4,134	3,895	5,294	3,350	3,901	3,083	3,222
1980	3,862	4,401	4,210	6,883	3,667	3,353	3,873	3,684
1981	3,728	5,713	4,084	6,875	4,251	2,989	3,820	4,326
1982	4,286	5,937	3,187	7,483	4,105	2,911	3,234	4,080

	Fabricated metals	Other fabricated materials	Motor vehicles and parts	Other machinery and equipment	Consumer goods and miscellaneous	Re-exports	Total
			3653				3471
			(Millions of dollars)				
1963	918	572	88	589	127	182	6,980
1964	1,049	680	177	811	147	209	8,303
1965	1,138	738	356	811	157	242	8,767
1966	1,227	823	1,012	956	195	255	10,043
1967	1,368	858	1,739	1,167	234	298	11,420
1968	1,605	975	2,672	1,340	303	373	13,624
1969	1,499	1,087	3,514	1,595	244	428	14,871
1970	1,996	1,311	3,499	1,666	418	419	16,820
1971	1,678	1,406	4,171	1,660	393	422	17,818
1972	1,716	1,700	4,718	2,014	446	479	20,150
1973	2,084	2,171	5,415	2,455	562	583	25,421
1974	2,760	3,030	5,717	2,868	732	767	32,442
1975	2,475	2,855	6,432	3,399	720	780	33,328
1976	3,015	3,375	8,225	3,670	946	825	38,475
1977	3,543	4,458	10,424	3,975	901	870	44,554
1978	4,684	6,175	12,540	5,230	1,201	924	53,183
1979	5,251	8,919	11,900	7,295	1,895	1,324	65,641
1980	8,112	10,323	10,924	8,507	2,648	1,713	76,159
1981	7,734	11,662	13,084	9,967	2,971	2,475	83,678
1982	6,781	10,893	16,382	9,956	2,478	2,690	84,403

Source: Statistics Canada, *Summary of External Trade*, cat. 65-001.

Reference Table 73
Merchandise Trade Detail: Imports
1963 – 1982

Year	Animals and edible products	Crude petroleum	Other crude materials	Fabricated materials	Motor vehicles and parts	Other machinery and equipment	Other end products and miscellaneous	Total
D		3745		3748	3774			3535
				(Millions of dollars)				
1963	780	335	563	1,571	669	1,882	759	6,558
1964	795	321	640	1,813	818	2,190	911	7,488
1965	770	312	694	2,114	1,125	2,573	1,045	8,633
1966	805	299	724	2,233	1,581	3,048	1,382	10,072
1967	884	356	707	2,310	2,168	3,341	1,106	10,873
1968	918	373	754	2,435	3,001	3,477	1,401	12,358
1969	1,063	393	692	2,905	3,546	4,031	1,500	14,130
1970	1,116	415	757	2,886	3,252	3,991	1,536	13,952
1971	1,157	541	781	3,140	4,110	4,328	1,650	15,617
1972	1,401	681	859	3,579	4,934	5,184	2,032	18,669
1973	1,981	943	1,075	4,282	6,081	6,477	2,487	23,325
1974	2,516	2,646	1,426	6,482	7,124	8,414	3,113	31,722
1975	2,682	3,302	1,784	5,944	8,236	9,296	3,472	34,716
1976	2,871	3,280	1,811	6,211	9,440	9,641	4,240	37,494
1977	3,307	3,215	2,105	6,993	11,576	10,606	4,561	42,363
1978	3,782	3,457	2,425	8,748	13,386	13,115	5,195	50,108
1979	4,236	4,497	3,473	12,024	15,161	17,156	6,324	62,871
1980	4,803	6,919	4,425	12,708	13,609	19,725	7,084	69,274
1981	5,239	7,861	4,309	14,552	15,996	23,120	8,052	79,129
1982	4,940	4,973	3,723	11,794	14,898	19,391	7,911	67,629

Source: Statistics Canada, *Summary of External Trade.*

Reference Table 74
International Payments: Capital Movements
1950 – 1982

Year	Direct investment in Canada	Direct investment abroad	Canadian securities: New issues	Canadian securities: Retirements	Canadian securities: Trade in outstanding bonds and debentures	Canadian securities: Trade in outstanding common and preference stocks	Foreign securities (Net)	Loans and capital subscriptions by Government of Canada: Advances	Loans and capital subscriptions by Government of Canada: Repayments	Export credits at risk of govt.	Other long-term capital transactions
D	50560	50564			65000	50576			50629	50632	50650
					(Millions of dollars)						
1950	225	35	210	−284	—	329	76	−50	74	—	−5
1951	320	−30	411	−184	—	38	15	—	68	—	28
1952	360	−85	323	−89	−168	73	−11	—	56	—	−4
1953	450	−70	335	−146	−52	21	−1	—	87	—	11
1954	425	−90	333	−205	−66	129	−24	—	72	—	25
1955	445	−85	166	−185	−165	137	−5	—	69	—	37
1956	650	−105	667	−141	11	187	−3	−4	69	—	159
1957	545	−80	800	−134	−45	142	1	−1	50	—	42
1958	430	−40	688	−158	—	88	1	−34	64	—	114
1959	570	−85	709	−258	92	110	−34	−1	34	—	38
1960	670	−50	448	−266	3	51	−19	−11	32	—	60
1961	560	−80	548	−301	61	39	−35	−8	38	—	103
1962	505	−105	729	−319	64	−115	−65	−22	129	−63	−64
1963	280	−135	984	−404	39	−170	22	−18	25	−72	75
1964	270	−95	1,100	−382	77	−98	−52	−10	10	−164	46
1965	535	−125	1,240	−390	55	−274	−85	−14	10	−187	54
1966	790	−5	1,465	−499	−104	−136	−401	−35	24	−41	144
1967	691	−125	1,307	−357	−57	12	−432	−38	34	107	229
1968	590	−225	1,917	−431	−70	114	−467	−78	5	29	197
1969	720	−370	2,089	−440	2	53	102	−89	22	−12	228
1970	905	−315	1,230	−552	−40	−145	70	−145	36	−129	61
1971	925	−230	1,191	−845	−96	−142	196	−190	36	−230	25
1972	620	−400	1,722	−603	292	−59	244	−249	37	−246	230
1973	830	−770	1,323	−738	29	−24	69	−269	43	−189	323
1974	845	−810	2,423	−626	41	−112	46	−350	39	−573	118
1975	725	−915	5,038	−851	302	5	−17	−377	38	−355	342
1976	−300	−590	9,027	−936	559	−79	79	−436	18	−210	875
1977	475	−740	5,889	−930	243	−91	221	−539	36	−523	176
1978	85	−2,150	6,417	−1,314	35	−396	25	−509	262	−881	1,537
1979	675	−2,500	5,136	−2,170	476	360	−582	−552	33	−877	1,906
1980	585	−3,150	5,542	−2,384	1,071	987	−181	−519	37	−1,186	105
1981	−4,600	−5,900	13,493	−2,953	1,267	−1,181	−95	−628	41	−829	1,943
1982	−1,425	200	16,033	−3,653	−130	−538	−433	−488	43	−2,275	1,227

Reference Table 74 (continued)
International Payments: Capital Movements
1950 – 1982

Year	Change in certain Canadian assets of non-residents							Net errors and omissions	Net capital movements excluding monetary items shown in the following columns[2]	Special Drawing Rights allocations	Net official monetary assets	
	Canadian dollar deposits	Government of Canada demand liabilities	Treasury bills	Short-term paper[1]	Other finance company obligations	Residential holdings of foreign currencies	All other transactions				Official international reserves	Official international liabilities
D	50652	58654	50656		50676		50686	50693		50710	50713	50714
	(Millions of dollars)											
1950	235	−4	−3	—	—	11	91	101	1,041	—	722	—
1951	−190	−8	2	—	—	−14	50	62	568	—	56	—
1952	−66	−5	1	—	35	−165	−16	−389	−150	—	37	—
1953	−22	−11	−2	—	−2	−80	44	−166	410	—	−38	—
1954	27	−15	8	—	10	−75	14	−70	548	—	124	—
1955	60	−9	29	—	23	91	5	30	643	—	−44	—
1956	−30	—	3	—	64	−216	85	24	1,420	—	48	—
1957	−15	—	−18	—	4	−274	87	242	1,346	—	−105	—
1958	39	45	21	—	24	−58	−89	111	1,246	—	109	—
1959	10	−8	14	—	68	−119	15	317	1,476	—	−11	—
1960	79	−12	56	—	59	−60	42	101	1,194	—	−39	—
1961	33	−2	−58	—	95	142	−77	157	1,220	—	296	−4
1962	−10	−4	4	—	119	92	240	−145	984	—	307	−153
1963	43	1	−27	70	35	−259	134	32	666	—	56	89
1964	28	—	−16	185	52	−329	5	113	788	—	297	67
1965	31	2	12	−152	209	415	177	−239	1,289	—	158	—
1966	11	5	−15	3	154	−520	119	−182	803	—	−360	1
1967	24	−4	4	−51	35	−362	−41	−501	519	—	17	3
1968	72	21	48	−132	24	−449	−23	−784	446	—	350	−1
1969	52	−34	20	218	116	−1,434	−74	−219	982	—	65	—
1970	26	−7	−79	310	−109	−154	−183	−387	424	133	1,662	1
1971	95	50	−3	77	−25	854	−18	−1,348	346	119	896	—
1972	139	27	22	−181	−30	448	47	−1,455	605	117	336	—
1973	143	77	−24	140	12	−519	−382	−650	−575	—	−467	—
1974	597	45	77	80	158	236	117	−867	1,484	—	24	—
1975	561	−4	37	350	−89	272	493	−1,203	4,352	—	−405	—
1976	156	7	440	533	47	−1,289	175	−3,712	4,364	—	522	—
1977	230	172	242	220	−55	729	−870	−2,005	2,880	—	−1,421	—
1978	37	55	−53	86	−40	2,104	−952	−2,712	1,636	—	−185	−3,114
1979	524	217	−178	675	0	4,179	1,498	−2,169	6,651	219	−858	2,766
1980	−60	171	542	508	70	917	−2,878	−578	−401	217	−542	−738
1981	1,401	164	−2	1,217	471	11,229	592	−9,068	6,562	210	382	1,044
1982	−731	−26	127	−972	54	−7,428	−435	−2,514	−3,364	—	−666	−29

(1) Included in "all other transactions" for 1950 and 1951; included in "other finance company obligations" from 1952 to 1962.
(2) Includes net errors and omissions.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 75

Net Proceeds from New Issues of Canadian Securities to Non-Residents
1947 – 1982

Year	Government of Canada bonds (including guaranteed)			Provincial government bonds (including guaranteed)			Municipal government bonds			Total government bonds		
	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds
D	65006	65011		65007	65012		65008	65013				
	(Millions of dollars)											
1947	n.a.	39	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	39	n.a.
1948	150	36	144	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	150	36	114
1949	99	96	3	n.a.	n.a.	n.a.	6	n.a.	n.a.	105	96	9
1950	62	159	−97	96	n.a.	n.a.	20	n.a.	n.a.	178	159	19
1951	7	94	−87	262	43	219	72	12	60	341	149	192
1952	1	18	−17	107	38	69	55	17	38	163	73	90
1953	6	84	−78	143	28	115	76	15	61	225	127	98
1954	8	69	−61	126	63	63	46	28	18	180	160	20
1955	5	100	−95	3	19	−16	44	18	26	52	137	−85
1956	9	83	−74	224	15	209	112	18	94	345	116	229
1957	16	29	−13	136	25	111	123	24	99	275	78	197
1958	76	25	51	168	45	123	148	30	118	392	100	292
1959	56	101	−45	334	41	293	157	33	124	547	175	372
1960	30	58	−28	103	57	46	135	38	97	268	153	115
1961	37	48	−11	66	24	42	47	38	9	150	110	40
1962	156	86	70	148	22	126	74	41	33	378	149	229
1963	173	76	97	343	70	273	62	77	−15	578	223	355
1964	43	88	−45	439	66	373	182	58	129	664	207	457
1965	28	85	−57	297	31	266	84	53	31	409	169	240
1966	32	203	−171	448	64	384	177	96	81	657	364	293
1967	20	95	−75	762	61	701	173	52	121	955	208	747
1968	288	57	231	852	76	776	124	60	64	1,264	193	1,071
1969	40	83	−43	1,063	91	972	177	88	89	1,280	262	1,018
1970	26	157	−131	528	112	416	65	92	−27	619	361	258
1971	28	31	−3	725	317	408	26	99	−73	779	447	332
1972	30	44	−14	1,140	220	920	169	98	71	1,339	362	977
1973	18	110	−92	857	234	623	109	117	−8	989	461	523
1974	14	55	−41	1,713	211	1,502	234	96	138	1,961	362	1,599
1975	46	92	−46	3,334	342	2,992	541	82	459	3,921	516	3,405
1976	368	147	221	4,939	308	4,631	779	121	658	6,086	576	5,510
1977	719	146	573	3,083	312	2,771	368	99	269	4,170	557	3,613
1978	2,897	210	2,687	2,022	586	1,436	124	193	−69	5,043	989	4,054
1979	1,738	211	1,527	1,908	916	922	177	429	−252	3,823	1,556	2,267
1980	1,241	275	966	1,442	1,068	374	259	362	−103	2,945	1,705	1,237
1981	1,845	448	1,397	6,316	1,002	5,314	423	231	192	8,584	1,681	6,903
1982	3,847	832	3,015	7,377	1,518	5,859	698	244	454	11,922	2,594	9,328

Reference Table 75 (continued)

Net Proceeds from New Issues of Canadian Securities to Non-Residents
1947 – 1982

Year	Bonds and debentures of corporations			Total bonds and debentures			Common and preference stocks			Total securities		
	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds	New issues	Retire-ments	Net proceeds
D	65009	65014		65005	65010		50586	50587				
						(Millions of dollars)						
1947	n.a.	n.a.	n.a.	95	n.a.	n.a.	n.a.	n.a.	n.a.	95	364	−269
1948	n.a.	n.a.	n.a.	150	n.a.	n.a.	n.a.	n.a.	n.a.	150	114	36
1949	n.a.	n.a.	n.a.	105	n.a.	n.a.	n.a.	n.a.	n.a.	205	147	58
1950	28	n.a.	n.a.	206	n.a.	n.a.	n.a.	n.a.	n.a.	206	284	−78
1951	28	n.a.	n.a.	369	n.a.	n.a.	42	7	35	411	184	227
1952	136	15	121	299	88	211	24	1	23	323	89	234
1953	64	13	51	289	140	149	46	6	40	335	146	189
1954	133	35	98	313	195	118	20	10	10	333	205	128
1955	51	41	10	103	178	−75	63	7	56	166	185	−19
1956	252	20	232	597	136	461	70	5	65	667	141	526
1957	464	31	433	739	109	630	61	25	36	800	134	666
1958	253	42	211	645	142	503	43	16	27	688	158	530
1959	114	66	48	661	241	420	48	17	31	709	258	451
1960	154	104	50	422	257	165	26	9	17	448	266	182
1961	354	136	218	504	246	258	44	55	−11	548	301	247
1962	331	140	191	709	289	420	20	30	−10	729	319	420
1963	392	101	291	970	324	646	14	80	−66	984	404	580
1964	414	117	297	1,078	324	754	22	58	−36	1,100	382	718
1965	807	214	593	1,216	383	833	24	7	17	1,240	390	850
1966	751	131	620	1,408	495	913	57	4	53	1,465	499	966
1967	315	148	167	1,270	356	914	37	1	36	1,307	357	950
1968	586	233	353	1,850	426	1,424	67	5	62	1,917	431	1,486
1969	597	176	421	1,877	438	1,439	212	2	210	2,089	440	1,649
1970	541	187	354	1,160	548	612	70	4	66	1,230	552	678
1971	391	393	−2	1,170	840	330	21	5	16	1,191	845	346
1972	345	239	106	1,684	601	1,083	38	2	36	1,722	603	1,119
1973	300	275	25	1,284	736	548	39	2	37	1,323	738	585
1974	448	223	225	2,409	585	1,824	14	41	−27	2,423	626	1,797
1975	1,031	331	700	4,952	847	4,105	86	4	82	5,038	851	4,187
1976	2,860	303	2,557	8,946	879	8,067	81	57	24	9,027	936	8,091
1977	1,706	346	1,360	5,876	903	4,973	13	27	−14	5,889	930	4,959
1978	1,249	325	924	6,292	1,314	4,978	125	0	125	6,417	1,314	5,103
1979	1,145	613	532	4,968	2,169	2,799	168	1	167	5,136	2,170	2,966
1980	2,102	677	1,425	5,044	2,382	2,662	498	2	496	5,542	2,384	3,158
1981	4,472	1,270	3,202	13,056	2,951	10,105	437	2	435	13,493	2,953	10,540
1982	3,933	1,051	2,882	15,855	3,645	12,210	178	8	170	16,033	3,653	12,380

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 76

Canadian Chartered Banks' Head Office and Branches in Canada
Net Change in Foreign Currency Positions[1]
1964 – 1982

Year	With U.S. residents: Assets	With U.S. residents: Liabilities	With U.S. residents: Net	Other non-residents: Assets	Other non-residents: Liabilities	Other non-residents: Net	Total non-residents: Assets	Total non-residents: Liabilities	Total non-residents: Net	With Canadian residents: Assets	With Canadian residents: Liabilities	With Canadian residents: Net	Changes in banks' own positions
						(Millions of dollars)							
1964	40	327	−287	691	101	590	731	428	303	197	532	−335	−32
1965	−208	−727	519	−440	505	−945	−648	−222	−426	276	−107	383	−43
1966	208	−309	517	−2	48	−50	206	−261	467	84	401	−317	150
1967	273	76	197	375	188	187	648	264	384	−103	363	−466	−82
1968	168	−296	464	725	701	24	893	405	488	−49	189	−238	250
1969	815	338	477	1,395	1,366	29	2,210	1,704	506	215	1,237	−1,022	−516
1970[2]	−33	22	−55	1,389	1,212	177	1,356	1,234	122	216	101	115	237
1971	−933	592	−1,525	318	197	121	−615	789	−1,404	−43	−1,470	1,427	23
1972	−87	175	−262	1,288	1,663	−375	1,201	1,838	−637	−100	−89	−11	−648
1973	528	265	263	3,211	3,131	80	3,739	3,396	343	175	1,406	−1,231	−888
1974	−47	1,026	−1,073	1,492	−935	2,427	1,445	91	1,354	1,116	1,997	−881	473
1975	−652	833	−1,485	558	−438	996	−94	395	−489	569	−513	1,082	593
1976	884	275	609	2,407	2,075	332	3,291	2,350	941	498	1,789	−1,291	−350
1977	−31	851	−882	838	1,340	−502	807	2,191	−1,384	2,217	843	1,374	−10
1978	2,238	4,324	−2,086	1,881	2,566	−685	4,119	6,890	−2,771	5,442	3,425	2,017	−754
1979	672	2,526	−1,854	3,739	5,992	−2,253	4,411	8,518	−4,107	1,178	−572	1,750	−2,357
1980	5,689	4,134	1,555	6,251	9,212	−2,961	11,940	13,346	−1,406	2,741	1,079	1,662	256
1981	−473	8,762	−9,235	2,993	11,723	−8,730	2,520	20,485	−17,965	11,117	−4,344	15,461	−2,504
1982	128	−734	862	−162	−3,676	3,514	−34	−4,410	4,376	2,942	2,459	483	4,859

[1] Adjusted for variations in exchange rates.

[2] Commencing with September 30, 1970, changes in assets and liabilities with residents of Puerto Rico and the U.S. Virgin Islands are included with residents of the United States instead of with other non-residents.

Source: Statistics Canada, *Quarterly Estimates of the Canadian Balance of International Payments.*

Reference Table 77

Canada's Reserve Position with the International Monetary Fund[1] 1946 – 1982

Year	IMF transactions with Canada: Increases in subscription[2]	IMF transactions with Canada: Drawings(-) and repayments	IMF transactions with Canada: Sales of gold and SDRs	IMF transactions with Canada: Other	Canadian loans to IMF	IMF transactions with other countries in Canadian dollars	Reserve position at end of period
			(Millions of SDRs[3])				
1946-1960	137.5	—	—	—	—	14.9	152.5
1961	—	—	−25.0	—	—	84.6	212.1
1962	—	−300.0	—	—	—	−50.3	−138.2
1963	—	79.7	—	—	—	—	−58.5
1964	—	166.0	−9.0	—	—	99.0	197.5
1965	—	—	−27.5	—	—	183.4	353.4
1966	47.5	—	—	—	—	47.6	448.5
1967	—	—	—	—	—	−15.1	433.4
1968	—	−361.2	—	2.8	—	131.2	206.2
1969	—	—	−8.6	0.2	—	280.3	478.1
1970	90.0	—	−45.2	1.0	—	145.7	669.6
1971	—	—	−66.3	—	—	−270.7	332.6
1972	—	—	—	—	—	−16.6	315.9
1973	—	—	—	—	—	−35.5	280.4
1974	—	—	—	—	140.7	11.5	432.6
1975	—	—	—	—	106.2	14.7	553.5
1976	—	—	—	—	—	259.4	812.9
1977	—	—	−16.4	−22.1	−41.5	−31.5	701.4
1978	—	—	−8.2	14.8	−76.5	−204.1	427.4
1979	—	—	−8.2	18.5	−103.2	−38.0	296.5
1980	169.6	—	—	0.8	−13.0	—	454.0
1981	—	—	—	—	—	−108.4	345.6
1982	—	—	—	0.4	—	−12.6	335.6

[1] Reserve position equals the Canadian subscription plus outstanding loans to the IMF minus IMF holdings of Canadian dollars. This is the amount of foreign exchange which Canada is entitled to draw from the Fund on demand for balance of payments purposes.

[2] Portion paid in other than Canadian dollars.

[3] Prior to May 8, 1972 one SDR equalled one U.S. dollar. From May 8, 1972, to October 18, 1973 one SDR was equivalent to U.S. $1.08571; from October 18, 1973 to July 1, 1974 one SDR was equivalent to U.S. $1.20635; since the latter date the value of the SDR in terms of U.S. dollars has been determined daily on the basis of a weighted average of the market values of major currencies. Until December 1980, 16 currencies were used; on January 1, 1981, the number of currencies was reduced to five.

Source: Bank of Canada, *Review*, monthly.

Reference Table 78

Canada's Official International Reserves
1961 – 1982

End of period	Foreign currencies[1]		Gold	Special Drawing Rights	Reserve position in IMF	Total	Total
	U.S. dollars	Other					
B	3801	3802	3803	3804	3805	3800	
			(Millions of U.S. dollars)				(Millions of SDRs)
1961	1,123.0	10.7	946.2	—	212.1	2,292.0	2,292.0
1962	1,842.8	9.2	708.5	—	—	2,560.5	2,560.5
1963	1,786.6	9.5	817.2	—	—	2,613.3	2,613.3
1964	1,654.5	11.8	1,025.7	—	197.5	2,889.5	2,889.5
1965	1,519.9	12.8	1,150.8	—	353.4	3,036.9	3,036.9
1966	1,195.4	12.4	1,045.6	—	448.5	2,701.9	2,701.9
1967	1,255.2	13.4	1,014.9	—	433.4	2,716.9	2,716.9
1968	1,964.9	11.6	863.1	—	206.2	3,045.8	3,045.8
1969	1,743.6	12.3	872.3	—	478.1	3,106.3	3,106.3
1970	3,022.1	14.5	790.7	182.1	669.6	4,679.0	4,679.0
1971	4,060.0	13.6	791.8	371.9	332.6	5,570.4	5,570.4
1972	4,355.0	12.6	834.1	505.2	342.9	6,049.9	5,572.3
1973	3,927.2	12.2	926.9	563.7	338.2	5,768.2	4,781.5
1974	3,767.7	12.9	940.7	574.3	529.7	5,825.3	4,757.9
1975	3,207.1	15.7	899.4	555.4	648.0	5,325.6	4,549.3
1976	3,446.3	15.8	879.0	557.8	944.5	5,843.4	5,029.3
1977	2,298.7	15.8	935.6	505.3	852.1	4,607.5	3,793.1
1978	2,459.5	18.4	1,009.1	522.4	556.8	4,566.2	3,504.9
1979	1,863.9	23.9	1,022.6	585.9	390.6	3,886.9	2,950.6
1980	2,037.6	23.1	936.6	453.2	579.0	4,029.6	3,159.5
1981	2,865.3	95.8	833.7	174.0	402.4	4,371.1	3,755.4
1982	2,454.9	120.1	782.3	70.8	365.0	3,793.2	3,438.6

[1] Convertible foreign currency of the Exchange Fund Account, the Receiver General for Canada and the Bank of Canada.

Source: Bank of Canada and Department of Finance.

Reference Table 79

Price of Foreign Currencies in Canada

1954 – 1982

Year	Belgian franc	French franc	German mark	Italian lira	Japanese yen	Dutch guilder	Swedish krona	Swiss franc	Pound sterling	U.S. dollar
B	3402	3404	3405	3406	3407	3408	3410	3411	3412	3400
					(Average of daily rates)					
1954	0.0195	0.278	0.232	0.00156	0.00270	0.257	0.188	0.227	2.734	0.973
1955	0.0196	0.282	0.234	0.00158	0.00274	0.259	0.190	0.230	2.754	0.986
1956	0.0197	0.281	0.234	0.00158	0.00273	0.257	0.190	0.230	2.752	0.984
1957	0.0191	0.256	0.228	0.00154	0.00266	0.251	0.185	0.224	2.679	0.959
1958	0.0195	0.231	0.232	0.00156	0.00270	0.257	0.188	0.226	2.728	0.971
1959	0.0192	0.196	0.230	0.00155	0.00267	0.254	0.185	0.222	2.694	0.959
1960	0.0195	0.198	0.233	0.00156	0.00270	0.257	0.188	0.225	2.723	0.970
1961	0.0203	0.207	0.252	0.00163	0.00281	0.279	0.196	0.235	2.839	1.013
1962	0.0215	0.218	0.267	0.00172	0.00297	0.297	0.207	0.247	3.001	1.069
1963	0.0216	0.220	0.271	0.00174	0.00300	0.300	0.208	0.250	3.020	1.079
1964	0.0217	0.220	0.271	0.00173	0.00300	0.299	0.209	0.250	3.012	1.079
1965	0.0217	0.220	0.270	0.00173	0.00300	0.299	0.209	0.249	3.014	1.078
1966	0.0216	0.219	0.269	0.00173	0.00298	0.298	0.209	0.249	3.009	1.077
1967	0.0217	0.219	0.271	0.00173	0.00298	0.299	0.209	0.249	2.962	1.079
1968	0.0216	0.218	0.270	0.00173	0.00299	0.298	0.209	0.250	2.579	1.077
1969	0.0215	0.208	0.275	0.00172	0.00301	0.297	0.208	0.250	2.574	1.077
1970	0.0210	0.189	0.286	0.00167	0.00292	0.289	0.201	0.242	2.502	1.044
1971	0.0208	0.183	0.291	0.00163	0.00291	0.289	0.198	0.246	2.469	1.010
1972	0.0225	0.196	0.311	0.00170	0.00327	0.309	0.208	0.259	2.479	0.991
1973	0.0258	0.226	0.378	0.00172	0.00370	0.360	0.230	0.317	2.452	1.000
1974	0.0252	0.204	0.379	0.00150	0.00336	0.365	0.221	0.330	2.288	0.978
1975	0.0277	0.238	0.414	0.00156	0.00343	0.403	0.246	0.393	2.258	1.017
1976	0.0256	0.207	0.393	0.00119	0.00333	0.373	0.227	0.395	1.781	0.986
1977	0.0297	0.217	0.459	0.00121	0.00398	0.434	0.238	0.445	1.857	1.063
1978	0.0363	0.254	0.569	0.00135	0.00548	0.529	0.253	0.644	2.191	1.141
1979	0.0399	0.276	0.639	0.00141	0.00537	0.590	0.274	0.705	2.486	1.171
1980	0.0401	0.277	0.644	0.00137	0.00519	0.589	0.277	0.698	2.721	1.169
1981	0.0324	0.222	0.532	0.00106	0.00545	0.482	0.238	0.613	2.430	1.199
1982	0.0271	0.189	0.506	0.00091	0.00497	0.462	0.198	0.609	2,158	1.234

Source: Bank of Canada.

Reference Table 80

Indexes of Exchange Rates[1]

1970 – 1982

(1971 = 100)

Year and month	Price of Canadian dollar in			Price of U.S. dollar in		
	United States	Other G – 10 countries	Total G – 10 countries	Canada	Other G – 10 countries	Total G – 10 countries
			(Average of daily rates)			
1970	96.7	99.4	97.2	103.4	102.9	103.1
1971	100.0	100.0	100.0	100.0	100.0	100.0
1972	101.9	93.5	100.4	98.1	91.1	93.6
1973	101.0	84.8	97.8	99.0	82.3	87.9
1974	103.3	90.4	100.8	96.8	85.6	89.4
1975	99.3	86.1	96.7	100.7	84.1	89.7
1976	102.4	96.2	101.3	97.6	89.7	92.5
1977	95.0	85.8	93.3	105.3	85.5	92.1
1978	88.6	68.6	84.5	112.9	72.7	85.1
1979	86.2	64.3	81.7	116.0	70.4	84.2
1980	86.4	63.7	81.7	115.8	70.3	84.0
1981	84.2	70.4	81.5	118.7	79.5	91.8
1982	81.9	77.9	81.1	122.2	90.2	100.6
1980 J	86.8	64.1	82.1	115.3	70.2	83.8
F	87.4	65.3	82.8	114.5	71.2	84.4
M	86.1	66.9	82.2	116.2	74.0	87.0
A	85.2	66.6	81.4	117.4	74.6	87.7
M	86.1	63.4	81.4	116.2	70.1	84.0
J	87.7	63.1	82.6	114.0	68.4	82.1
J	87.7	62.8	82.5	114.1	68.2	82.0
A	87.1	63.4	82.2	114.8	69.3	83.0
S	86.7	62.0	81.6	115.3	68.1	82.2
O	86.4	61.8	81.3	115.8	68.3	82.5
N	85.1	62.5	80.5	117.5	70.2	84.4
D	84.4	62.6	79.9	118.5	70.9	85.2
1981 J	84.8	62.4	80.2	117.9	70.4	84.6
F	84.2	64.8	80.3	118.7	73.6	87.4
M	84.8	65.8	81.0	118.0	74.2	87.6
A	84.8	67.7	81.4	117.9	76.3	89.2
M	84.1	70.1	81.4	118.9	79.7	92.0
J	83.9	72.3	81.6	119.2	82.2	93.9
J	83.4	74.5	81.7	120.0	84.9	96.1
A	82.6	75.2	81.2	121.1	86.5	97.6
S	84.1	74.4	82.2	118.9	83.7	94.9
O	84.0	73.5	81.9	119.1	82.7	94.3
N	85.0	72.6	82.6	117.6	80.7	92.3
D	85.2	72.7	82.8	117.4	80.7	92.3
1982 J	84.7	73.6	82.6	118.1	82.3	93.7
F	83.2	74.9	81.6	120.2	85.4	96.5
M	82.7	76.1	81.5	120.9	87.1	98.0
A	82.4	76.9	81.4	121.3	88.4	99.0
M	81.8	74.3	80.4	122.2	86.0	97.5
J	79.2	75.6	78.5	126.3	90.7	102.1
J	79.5	77.2	79.1	125.8	92.2	103.0
A	81.1	79.5	80.8	123.3	93.1	102.9
S	81.8	81.2	81.7	122.3	94.3	103.5
O	82.1	83.3	82.3	121.8	96.4	104.8
N	82.4	83.9	82.6	121.4	96.5	104.7
D	81.6	79.4	81.2	122.6	91.6	101.7

[1] Geometrically weighted by 1977-81 bilateral shares of trade. The Group of Ten countries comprise Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Sweden, the United Kingdom, and the United States, plus Switzerland.

Reference Table 81

Money Market and Eurodollar Rates
1978 – 1982

Month	Canada	United States	Japan	France	West Germany	United Kingdom	Nether-lands	Belgium	Eurodollar: London
					(Per cent)				
1978 J	7.13	6.45	4.79	8.88	3.37	5.81	5.11	7.56	7.31
F	7.30	6.46	4.80	10.18	3.34	5.96	5.45	4.12	7.27
M	7.73	6.32	4.62	9.96	3.55	5.94	5.33	4.64	7.26
A	8.19	6.31	4.14	8.48	3.53	6.77	4.56	4.04	7.38
M	8.13	6.43	4.06	8.08	3.54	8.40	4.65	3.63	7.83
J	8.26	6.71	4.11	7.76	3.55	9.15	3.99	4.06	8.31
J	8.71	7.07	4.44	7.43	3.40	9.22	4.10	3.85	8.52
A	8.80	7.04	4.39	7.25	3.23	8.90	3.47	5.06	8.50
S	9.17	7.84	4.25	7.20	3.51	9.00	5.59	4.93	9.11
O	9.85	8.13	4.18	6.99	3.07	9.92	13.56	7.41	10.15
N	10.36	8.79	3.93	6.89	2.67	11.51	8.76	6.96	11.52
D	10.46	9.12	4.57	6.67	3.56	11.57	10.29	6.45	11.58
1979 J	10.78	9.35	4.29	6.64	2.99	11.86	8.64	6.33	11.18
F	10.82	9.27	4.35	6.68	3.81	12.62	7.73	6.40	10.79
M	10.92	9.46	4.64	6.77	4.32	11.35	7.14	5.37	10.64
A	10.80	9.49	4.89	6.82	5.24	11.32	7.09	5.25	10.60
M	10.84	9.59	5.12	7.20	5.16	11.35	7.10	4.81	10.72
J	10.78	9.05	5.34	8.01	5.60	12.57	7.57	7.64	10.53
J	11.25	9.26	5.80	9.34	5.73	13.32	8.63	9.59	10.87
A	11.45	9.45	6.69	10.44	6.36	13.31	8.73	9.34	11.50
S	11.64	10.18	6.81	10.99	6.50	13.38	9.39	8.91	12.61
O	13.61	11.47	6.74	11.47	7.87	13.38	9.28	11.32	14.59
N	13.62	11.87	7.58	11.95	7.86	15.33	11.18	10.06	15.00
D	13.66	12.07	8.05	12.17	9.02	15.90	15.90	10.58	14.55
1980 J	13.50	12.04	8.06	11.99	8.25	15.79	11.18	11.74	14.41
F	13.55	12.81	8.74	12.17	8.06	16.14	10.99	9.66	16.97
M	15.24	15.53	10.73	12.96	8.61	16.18	9.50	12.59	19.94
A	15.15	14.00	12.21	12.40	9.05	16.17	10.47	14.83	13.94
M	11.58	9.15	12.56	12.61	9.80	16.09	11.14	13.47	9.75
J	10.38	7.00	12.64	12.43	10.04	15.80	10.97	11.96	9.75
J	10.06	8.13	12.70	12.04	9.80	14.55	10.31	11.84	9.81
A	10.49	9.26	12.09	11.32	8.92	14.86	10.09	9.80	12.50
S	10.95	10.32	11.40	11.37	9.27	14.40	9.86	9.51	13.94
O	11.91	11.58	11.04	11.22	9.01	14.29	9.34	9.50	15.25
N	13.70	13.89	9.50	10.74	8.76	13.95	9.05	10.04	18.31
D	17.01	15.66	9.49	10.88	9.16	13.07	8.60	9.73	17.75
1981 J	16.86	14.72	8.91	10.74	9.09	12.85	8.97	10.20	17.44
F	16.83	14.91	8.60	10.91	10.38	12.09	9.08	8.93	16.69
M	16.44	13.48	8.04	11.72	11.97	11.53	9.90	10.25	14.87
A	17.35	13.64	7.19	12.23	11.31	11.33	9.61	16.44	16.97
M	18.43	16.30	7.06	16.03	11.83	11.35	10.68	12.51	17.75
J	18.83	14.56	7.12	19.93	11.93	12.09	11.57	9.40	17.69
J	20.29	14.70	7.26	18.49	11.98	13.28	12.33	10.56	18.75
A	20.82	15.61	7.24	17.50	11.97	13.42	12.67	11.93	18.69
S	19.35	14.95	7.26	17.78	12.00	13.96	11.91	11.26	17.87
O	17.96	13.87	7.05	17.09	11.30	15.55	12.76	12.72	15.66
N	15.07	11.27	6.80	15.72	10.81	14.41	11.89	10.94	12.00
D	14.41	10.93	6.70	15.46	10.58	14.51	10.77	12.45	13.75
1982 J	14.34	12.41	6.64	15.25	10.46	14.06	10.18	12.27	14.62
F	14.58	12.78	6.68	14.56	10.27	13.56	9.98	12.00	15.00
M	15.07	12.49	6.61	15.72	9.87	12.49	7.76	10.21	15.47
A	14.98	12.82	7.15	16.81	9.33	12.84	8.43	12.56	14.87
M	15.18	12.15	7.28	16.41	9.18	12.63	8.87	12.90	14.44
J	16.33	12.11	7.37	15.86	9.28	12.27	8.14	11.59	15.66
J	15.25	11.91	7.40	14.84	9.46	11.73	8.78	13.05	14.36
A	13.70	9.01	7.44	14.68	9.00	10.53	8.51	11.63	11.63
S	12.73	8.20	7.31	14.28	8.18	9.88	7.37	10.43	11.78
O	11.21	7.75	7.19	13.64	7.58	9.22	7.24	10.98	10.41
N	10.72	8.04	7.22	13.17	7.30	8.91	6.29	10.32	9.79
D	9.80	8.01	7.19	12.90	6.60	10.29	5.19	9.29	9.72

Source: International Monetary Fund, *International Financial Statistics.*

Reference Table 82

Details of New Issues and Retirements of Government of Canada Marketable Bonds from January 1, 1982 to December 31, 1982

Date	Retirements	Amount	Sub-total	Currency of Payment	New Bonds	Amount Delivered	Sub-total	Currency of Payment	Yield to Maturity (%)	Net Change in Amount Outstanding
					(Millions of dollars, par value)					
February 1	9¼% February 1, 1982	593		C	16% August 1, 1984	150		C	16	
	9¾% February 1, 1982	475	1,068	C	15½% February 1, 1987[1]	650	800	C	15.5	−268
March 8					7¼% March 8, 1987	264	264	SF		−4
March 31					15% August 1, 1984	225		C	15.10	
					15% March 15, 1987	400		C	15.14	
					15½% March 15, 2002	200	825	C	15.54	821
April 1	7¾% April 1, 1982	675		C						
	9½% June 15, 1994[2]	29		C						
	10% October 1, 1995[2]	25		C						
	9¼% May 15, 1997[2]	24		C						
	9% October 15, 1999[2]	14		C						
	9¾% December 15, 2000[2]	13		C						
	9½% October 1, 2001[2]	33		C						
	8¾% February 1, 2002[2]	6		C						
	9½% October 1, 2003[2]	18	837	C						−16
April 15	5% October 15, 1987[3]	1	1	U.S.						
April 29					8½% April 30, 1989	105	105	DM		89
May 1					15% August 1, 1984	100		C	14.91	
					15% March 15, 1987	400		C	14.84	
					15½% March 15, 2002	150	650	C	15.41	739
June 1					14¾% December 15, 1984	100		C	14.94	
					14¾% June 1, 1987	250		C	15.04	
					15% June 1, 1992	200	550	C	15.15	1,289
June 16					14¾% June 16, 1987	962	962	U.S.	14.375	2,251
July 1	8% July 1, 1982	900		C	15½% July 1, 1985	350		C	16.00	
	7½% July 1, 1982	1	901	C	15% July 1, 1987	400	750	C	15.37	2,100
August 1					16% August 1, 1984	150		C	16.00	
					15½% February 1, 1987[5]	600	750	C	15.58	2,850
September 1					14½% September 1, 1985	200		C	14.67	
					14¼% September 1, 1987[6]	650	850	C	14.47	3,700
October 15	8% October 15, 1982	475		C	12¾% October 1, 1985	150		C	12.85	
	10¾% October 15, 1982	200		C	13% October 15, 1987	450		C	13.00	
	12¼% October 15, 1982	150	825	C	13½% October 15, 1992	400		C	13.69	
	5% October 15, 1987[3]	1	1	U.S.	13¾% March 15, 2000	300	1,300	C	13.90	4,174
November 1					12% November 15, 1987	200		C	12.00	
					12¾% November 15, 1992	500	700	C	12.75	4,874
November 22					10¾% October 1, 1985	175		C	10.75	
					11¾% December 15, 1992	525	700	C	11.75	5,574
December 1	5¾% January 1, 1985[2]	2		C						
	5% October 1, 1987[2]	4	6	C						5,568
December 15	11¾ December 15, 1982	875	875	C	10¾% October 1, 1985	350		C	10.82	
					11% December 15, 1987	325		C	11.33	
					11¾% December 15, 1992	575	1,250	C	12.01	5,943

[1] Extendible at the option of the holder to February 1, 1992.
[2] Partial redemption for purchase funds.
[3] Partial redemption for sinking funds.
[4] Extendible at the option of the holder to July 1, 1992.
[5] Extendible at the option of the holder to February 1, 1992.
[6] Extendible at the option of the holder to September 1, 1992.
Source: Bank of Canada and Department of Finance.

Reference Table 83

Changes in Marketable Securities and Canada Savings Bonds Outstanding 1975 – 1982

	1975	1976	1977	1978	1979	1980	1981	1982
				(Millions of dollars)				
Net new issues:								
Canadian dollars:								
Government of Canada — marketable securities[2]	1,345	3,481	6,415	6,225	8,874	12,701	4,617	8,989
Canada Savings Bonds	2,664	755	1,660	1,933	– 1,329	– 1,331	8,069	8,026
Total Government of Canada issues	4,009	4,236	8,075	8,158	7,545	11,370	12,686	16,995
Provinces and municipalities[3]	3,114	3,751	4,068	4,569	3,778	7,044	5,181	3,339
Corporations	3,460	2,447	6,297	10,130	5,621	6,393	7,270	2,376
Total Canadian dollar issues	10,583	10,434	18,440	22,857	16,944	24,807	25,137	22,710
Foreign currencies:								
Government of Canada	– 37	– 2	– 2	2,315	726	– 2	357	1,330
Provinces and municipalities	3,395	5,239	3,004	1,609	1,387	135	5,373	5,183
Corporations	623	2,819	1,916	1,493	1,670	2,876	4,437	3,895
Total foreign-pay issues	3,981	8,056	4,918	5,417	3,783	3,009	10,167	10,408
Total net new issues	14,564	18,490	23,358	28,274	20,727	27,816	35,304	33,118
Taken up by:								
Bank of Canada	841	573	1,852	1,741	1,708	2,339	1,125	– 1,033
Chartered banks	– 21	1,507	2,005	3,927	– 174	854	2,935	925
Non-bank holders:								
Marketable securities	7,001	7,486	12,655	17,648	17,757	24,551	12,796	13,463
Canada Savings Bonds	2,664	755	1,660	1,933	– 1,329	– 1,331	8,069	8,026
Holders of Canadian foreign pay	4,079	8,169	5,186	3,025	2,765	1,403	10,379	11,737
Total bond issues	14,564	18,490	23,358	28,274	20,727	27,816	35,304	33,118

(1) January to September.
(2) Includes Canada treasury bills.
(3) Excludes securities bought by the Canada Pension Plan.
(4) Includes only Government of Canada securities.

Source: Bank of Canada and Department of Finance.

Reference Table 84
Mortgage Loan Approvals
1976 – 1982

	1976	1977	1978	1979	1980	1981	1982
				(Millions of dollars)			
Residential							
Private lenders							
NHA	4,444	6,207	4,446	4,147	3,410	3,108	3,418
New	3,225	3,936	2,093	1,586	1,330	1,722	1,643
Existing	1,219	2,271	2,353	2,561	2,080	1,386	1,775
Conventional	5,741	8,396	9,441	9,902	8,578	6,082	7,256
New	2,515	2,685	3,324	3,983	3,173	2,663	1,555
Existing	3,226	5,711	6,117	5,919	5,405	3,419	5,701
Total private	10,185	14,603	13,887	14,049	11,988	9,190	10,674
New	5,740	6,621	5,417	5,569	4,503	4,385	3,198
Existing	4,445	7,982	8,470	8,480	7,485	4,805	7,476
CMHC	662	363	289	22	22	29	21
New	616	326	254	15	16	18	4
Existing	46	37	35	7	6	11	17
Total residential	10,847	14,966	14,176	14,071	12,010	9,219	10,695
New	6,356	6,947	5,671	5,584	4,519	4,403	3,202
Existing	4,491	8,019	8,505	8,487	7,491	4,816	7,493
Total public and private	12,284	17,146	16,655	17,219	14,367	10,796	12,175
Residential	10,847	14,966	14,176	14,071	12,010	9,219	10,695
Non-residential	1,437	2,180	2,479	3,148	2,357	1,577	1,480

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*.

Reference Table 85

Mortgage Loan Approvals by Private Lending Institutions[1]

1977 – 1982

	1977	1978	1979	1980	1981	1982
			(Millions of dollars)			
Chartered banks	4,690	5,182	5,510	4,793	3,405	4,101
Residential	4,605	4,977	5,205	4,464	3,147	3,869
New	1,762	1,751	1,936	1,660	1,523	960
Existing	2,843	3,226	3,269	2,805	1,624	2,909
Non-residential	85	204	305	328	258	232
Life companies	3,014	2,504	2,865	2,497	1,920	2,051
Residential	1,610	1,200	1,239	1,277	1,054	1,164
New	1,208	853	823	718	647	630
Existing	402	347	416	559	407	534
Non-residential	1,404	1,304	1,626	1,220	866	887
Loan, trust, etc.[2]	9,083	8,689	8,822	7,056	5,442	6,002
Residential	8,394	7,719	7,605	6,246	4,988	5,641
New	3,657	2,822	2,813	2,124	2,215	1,608
Existing	4,737	4,897	4,792	4,122	2,773	4,033
Non-residential	689	970	1,217	810	454	361
Total residential	14,609	13,896	14,134	12,106	9,190	10,674
Total non-residential	2,178	2,478	3,148	2,358	1,577	1,480
Total private	16,787	16,374	17,282	14,464	10,767	12,154

[1] Includes NHA and conventional lending.

[2] Includes loan and trust companies, Quebec savings banks, fraternal and mutual benefit societies, pension funds and mortgage investment brokers.

Source: Canada Mortgage and Housing Corporation, *Canadian Housing Statistics*.

Reference Table 86

Monetary Aggregates and Selected Banking System Statistics 1970 – 1982

Year	Currency and demand deposits (M1)	Currency and all chequable deposits (M1B)	Currency and all chequable, notice and term deposits (M2)	Currency plus total privately held chartered banks deposits (M3)	Currency and privately held Canadian dollar deposits	General loans	Canadian dollar major assets	Total personal loans	Business loans
	(Average of Wednesdays)							(End of period)	
	(Millions of dollars)								
1970	9,023	14,716	25,580	32,175	29,022	16,377	28,296	4,935	11,442
1971	10,170	16,074	28,755	35,495	33,215	18,054	32,690	5,861	12,193
1972	11,622	18,098	31,785	40,462	39,087	22,319	39,012	7,202	15,115
1973	13,312	20,256	36,291	46,510	44,335	27,438	45,684	9,064	18,374
1974	14,551	21,405	43,554	58,014	53,137	33,618	54,752	10,774	22,846
1975	16,557	23,465	50,118	66,610	62,460	39,117	63,445	12,838	26,279
1976	17,883	24,922	56,414	78,860	73,096	46,611	74,020	15,518	31,093
1977	19,377	26,700	64,343	91,344	84,264	54,204	85,680	18,362	35,842
1978	21,318	29,039	71,194	103,821	94,276	60,565	98,298	21,169	39,398
1979	22,813	30,471	82,395	123,898	112,230	72,527	117,084	24,550	47,984
1980	24,228	31,781	97,263	141,586	130,308	87,020	133,535	27,709	59,313
1981	25,255	32,800	111,377	158,931	150,716	109,226	159,106	31,635	77,618
1982	25,760	33,676	127,718	182,550	173,009	121,935	186,149	31,798	90,148
	(Per cent change)								
1970	2.4	−4.1	6.8	—	5.5	3.9	5.2	5.1	3.4
1971	12.7	9.2	12.4	10.3	14.4	10.2	15.5	13.3	6.6
1972	14.3	12.6	10.5	14.0	17.7	23.6	19.3	22.9	24.0
1973	14.5	11.9	14.2	14.9	13.4	22.9	17.1	25.9	21.6
1974	9.3	5.7	20.0	24.7	19.9	22.5	19.8	18.8	24.3
1975	13.8	9.6	15.1	14.8	17.5	16.4	15.9	19.2	15.0
1976	8.0	6.2	12.6	18.4	17.0	19.2	16.7	20.9	18.3
1977	8.4	7.1	14.1	15.8	15.3	16.3	15.8	18.3	15.3
1978	10.0	8.8	10.7	13.7	11.9	11.7	14.7	15.3	9.9
1979	7.0	4.9	15.7	19.3	19.0	19.8	19.1	16.0	21.8
1980	6.2	4.3	18.0	14.3	16.1	20.0	14.1	12.9	23.7
1981	4.2	3.2	14.5	12.3	15.7	25.5	19.1	14.2	30.9
1982	2.0	2.7	14.7	14.8	14.8	11.6	17.0	0.5	16.1

Source: Bank of Canada, *Review*, monthly.

Reference Table 87

Canadian Marketable Securities
Supply of Securities and Distribution of Holdings
(Flows)
1972 – 1982

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982[1]
	(Millions of dollars)										
Supply of securities											
Short-term securities											
Government of Canada treasury bills	331	556	938	561	1,602	2,350	2,673	2,282	5,451	−55	2,014
Junior government treasury bills and notes	36	−72	−55	294	−86	−317	259	−67	293	154	553
Other short-term paper	272	872	2,744	304	1,149	790	2,368	3,867	5,555	253	2,992
Long-term securities											
Government of Canada bonds	30	−225	801	716	1,768	3,785	5,764	7,616	7,202	5,760	4,703
Junior government bonds	2,245	1,797	3,093	5,544	7,485	6,026	4,789	4,421	3,496	6,758	5,259
Bonds issued by non-financial corporations	863	750	1,457	2,112	2,132	2,028	1,563	474	2,141	5,381	2,401
Bonds issued by financial corporations	638	822	584	686	1,546	1,027	1,046	991	351	1,437	739
Bonds issued by public corporations	15	34	−1	1	521	560	470	825	1,070	1,713	1,184
Stocks	659	1,288	1,266	1,687	1,111	3,011	7,923	6,203	7,100	8,166	1,824
Foreign investment	−244	−69	−46	17	−79	−221	−25	582	114	−95	−140
Total	4,845	5,753	10,781	11,922	17,209	19,039	26,830	27,194	32,773	29,472	21,529
Distribution of holdings											
Residents	3,652	5,047	8,898	7,041	7,665	13,466	21,943	22,791	26,287	16,013	10,865
Bank of Canada	590	608	1,103	734	637	1,749	1,706	1,606	2,242	1,121	−2,210
Chartered banks	148	−82	1,545	−123	1,504	3,581	7,183	48	−910	3,386	418
Near banks	187	65	−52	595	523	1,340	1,155	1,281	3,234	1,382	2,792[2]
Insurance and pension institutions	2,146	2,287	2,318	3,633	4,023	4,420	5,959	8,351	9,595	10,448	6,143
Other private financial institutions	269	−247	712	730	1,311	772	1,315	699	1,159	242	−143
Other residents	311	2,416	3,272	1,472	−333	1,604	4,625	10,806	10,966	−566	3,865
Non-residents	1,193	706	1,883	4,881	9,544	5,573	4,887	4,403	6,486	13,459	10,664

[1] January to September.
[2] Consolidates all wholly and majority owned subsidiaries of Quebec savings banks.
Source: Department of Finance and Bank of Canada.

Reference Table 88
Selected Interest Rates: Canada-United States
1970 – 1982

Years	Canada						United States			
	Bank rate	3-month Treasury Bills	Government of Canada bonds: over 10 years	Prime corporate paper: 90 days	Bank prime lending rate	5-year conventional mortgage rate	Discount rate	Federal funds	Commercial paper: 90 days	Bank prime lending rate
	(Annual average, in per cent)									
1970	7.13	5.99	7.91	7.34	8.17	10.45	5.94	6.98	8.11	7.81
1971	5.19	3.56	6.95	4.51	6.48	9.43	4.83	4.66	5.17	5.69
1972	4.75	3.56	7.23	5.10	6.00	9.21	4.50	4.48	4.83	5.29
1973	6.13	5.47	7.56	7.45	7.65	9.59	6.54	8.80	8.55	8.17
1974	8.50	7.82	8.90	10.51	10.75	11.24	7.85	10.42	10.33	10.75
1975	8.50	7.39	9.03	7.94	9.42	11.43	6.21	5.84	6.26	7.73
1976	9.29	8.87	9.18	9.17	10.04	11.78	5.46	5.07	5.31	6.81
1977	7.71	7.33	8.70	7.47	8.50	10.36	5.52	5.62	5.75	6.88
1978	8.98	8.68	9.27	8.83	9.69	10.59	7.54	8.05	8.32	9.17
1979	12.10	11.69	10.21	12.07	12.90	11.98	10.38	11.32	11.44	12.79
1980	12.89	12.79	12.48	13.15	14.25	14.32	11.75	13.21	13.03	15.44
1981	17.93	17.72	15.22	18.33	19.29	18.15	13.42	15.96	15.89	18.75
1982	13.96	13.66	14.26	14.15	15.81	17.90	10.92	11.95	12.12	14.69
	(Last Wednesdays, per cent)									
1982 J	14.72	14.34	15.94	14.90	16.50	18.21	12.00	13.98	14.27	15.75
F	14.74	14.58	15.01	15.00	16.50	18.97	12.00	13.96	14.13	16.50
M	15.11	15.07	15.06	16.15	17.00	19.41	12.00	14.99	15.20	16.50
A	15.32	14.98	14.75	15.50	17.00	19.28	12.00	14.72	14.49	16.50
M	15.32	15.18	14.72	15.60	17.00	19.11	12.00	13.70	13.68	16.50
J	16.58	16.33	16.03	17.05	18.25	19.10	12.00	14.81	15.22	16.50
J	15.60	15.25	15.62	15.65	17.25	19.22	11.50	11.02	12.22	16.00
A	14.26	13.70	13.96	14.20	16.00	18.72	10.50	9.04	9.29	13.50
S	13.18	12.73	13.48	13.10	15.00	17.49	10.00	10.12	10.33	13.50
O	11.53	11.21	12.63	11.45	13.75	15.75	9.50	9.44	9.02	12.00
N	10.87	10.72	12.18	10.95	13.00	14.75	9.00	8.91	8.76	11.50
D	10.26	9.80	11.69	10.25	12.50	14.75	8.50	8.79	8.84	11.50

Source: Bank of Canada, *Review*, Monthly.

POOR

QUALITY

ORIGINAL